



UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

March 8, 2018

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-18-008

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 (165th 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 decreased \$0.517 per dk since the March 1, 2018 rates due to a decrease in the overall commodity price of gas. Attachment B explains the reasons for the decrease in the market price of gas. In addition, there has been a change in pipeline rates as shown on Attachment C, decreasing the cost of gas by \$0.012 per dk in 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 April 2018.

The net effect of this filing, calculated pursuant to the terms of Rate 88, is a decrease of \$0.529 per dk for residential customers and firm general customers, a decrease of \$0.525 per dk for small and large interruptible customers, and a decrease of \$0.524 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 April 2018. The average cost of gas for firm customers, adjusted for losses, is \$3.724.

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-18-008 to renew the request of confidential treatment of portions of the cost of gas calculation for 2018.

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. The revenue requirement reflects the federal income tax rate enacted in the 2017 Tax Cuts and Jobs Act.

Montana-Dakota purchases propane supplies from various wholesale suppliers. There is no change in the cost of propane from that established in the March 2018 PGA filing.

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

These proposed adjustments, calculated in accordance with Rate 88, will amount to a decrease of approximately \$657,700 for natural gas customers during the month of April 2018. All of Montana-Dakota's retail natural gas customers in North Dakota may be affected by this proposal. There were 109,139 natural gas customers and 342 propane customers in North Dakota as of February 28, 2018.

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
Assistant General Counsel
MDU Resources Group, Inc.
P. O. Box 5650
Bismarck, ND 58506-5650

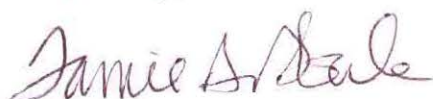
Montana-Dakota submitted a check on February 8, 2018 to the North Dakota Public Service Commission for \$600 pursuant to the requirements of North Dakota Century Code Section 49-05-05. This payment will cover the filing fee associated with the monthly COG filings.

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

Sincerely,

A handwritten signature in dark ink, appearing to read "Tamie A. Aberle". The signature is fluid and cursive, with the first name being the most prominent.

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

165th Revised Sheet No. 3

Canceling 164th 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 ¹	4	\$0.6443 per day	\$0.000	\$3.737	\$3.737
Air Force Rate 64 ¹	7				
Minot Air Force Base		\$2,000.00 per month			
PAR Site		\$175.00 per month			
Firm Service			\$0.329	\$3.737	\$4.066
Interruptible Service - PAR			\$0.177	\$2.663	\$2.840
Interruptible Service - MAFB			\$0.177	\$2.626	\$2.803
Firm General Service Rate 70 ¹	13				
Meters rated < 500 cubic feet		\$0.67 per day			
Meters rated > 500 cubic feet		\$1.90 per day	\$0.730	\$3.737	\$4.467
Small Interruptible Gas Rate 71 ¹	14	\$175.00 per month	(Maximum) \$1.112	\$2.663	(Maximum) \$3.775
Optional Seasonal Gas ¹					
Service Rate 72	15				
Meters rated < 500 cubic feet		\$0.67 per day			
Meters rated > 500 cubic feet		\$1.90 per day	\$0.730	\$3.827	\$4.557
Transportation Service ¹	24				
Small Interruptible Rate 81		\$175.00 per month			
Maximum			\$0.668		
Minimum			\$0.102		
Large Interruptible Rate 82		\$1,000.00 per month			
Maximum			\$0.297		
Minimum			\$0.061		
Large Interruptible Gas Rate 85 ¹	27	\$1,000.00 per month	(Maximum) \$0.718	\$2.663	(Maximum) \$3.381
Residential Propane Rate 90 ¹	32	\$0.6443 per day	\$0.000	\$11.033	\$11.033
Firm General Propane Rate 92 ¹	34				
Meters rated < 500 cubic feet		\$0.67 per day			
Meters rated > 500 cubic feet		\$1.90 per day	\$0.730	\$11.033	\$11.763

^{1/} Interim increase of 7.357% applicable to amounts billed under Basic Service Charge and Distribution Delivery Charge.

Date Filed: March 8, 2018

Effective Date: April 1, 2018

Issued By: Tamie A. Aberle
Director - Regulatory Affairs

Case No.: PU-18-008

**Montana-Dakota Utilities Co.
Market Conditions for Regional Natural Gas
April 2018**

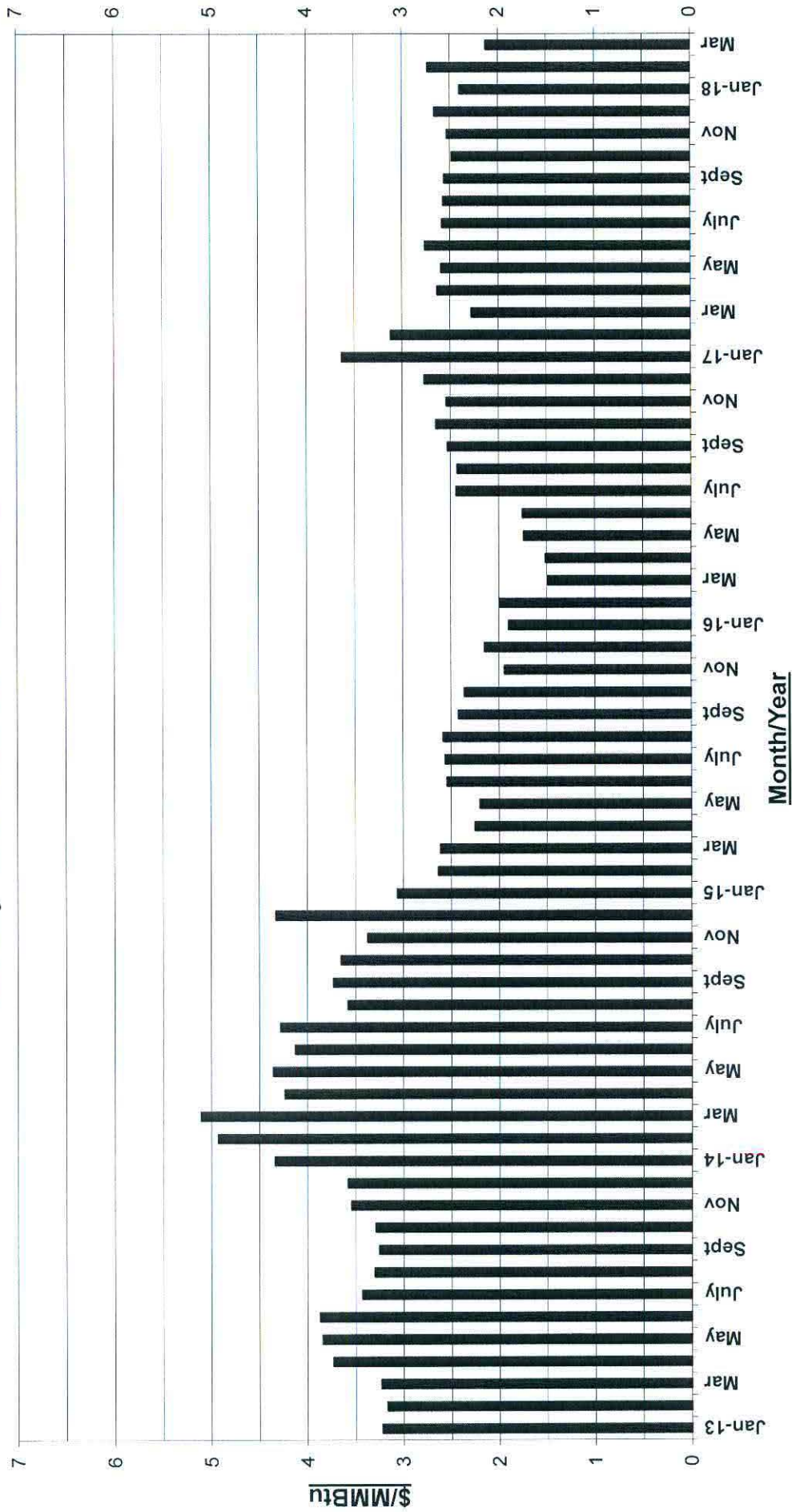
The established monthly price for the Rocky Mountain CIG Index has decreased by \$0.60/MMBTU from the previous filing to a posted \$2.13/MMBTU. The CIG Rocky Mountain Index is based on a price discovery survey by several natural gas periodicals, including "Inside FERC Gas Market" report and "Gas Daily" 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.

Rockies gas prices have waned in recent weeks due to a significant reduction in outflows according S&P Global's Platt Staff reporting. Particular declines in outflow are being realized to the West and Southwest where residential and commercial demand have declined on warming weather.

The EIA reported nationwide storage levels as of February 23, 2018 at 18.1 percent below the five-year average and 28.8 percent below last year's balance.

The Department of Energy's (DOE) Energy Information Administration (EIA) provides various publications on energy issues. The information is available on the DOE website: <http://www.eia.doe.gov>.

CIG Rocky Mountains Index Monthly Gas Prices 2013-2018YTD



From Inside F.E.R.C.'s Gas Market Report
Annual Averages: - 2016-\$2.15; 2017-\$2.70, 2018YTD-\$2.42

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

Northern Border Pipeline Co. Docket No. RP18-234-000

On December 4, 2017, Northern Border filed tariff records with FERC pursuant to the Settlement in Docket No. RP12-1093-000. The FERC issued a Letter Order accepting the tariff to be effective January 1, 2018.

Approximate impact on Montana-Dakota's cost of gas: 0.0 cents per dk.

WBI Energy Transmission, Inc. Docket No. RP18-511-000

On March 1, 2018, WBI Energy Transmission, Inc. filed its annual fuel and electric power reimbursement adjustments with the FERC in Docket No. RP18-511-000, reflecting revisions to the fuel and electric power components of WBI Energy's storage and transportation rates effective April 1, 2018.

Approximate impact on Montana-Dakota's cost of gas: (1.2) cents per dk.

MONTANA-DAKOTA UTILITIES CO.
COST OF GAS TARIFF SHEET
NORTH DAKOTA GAS
EFFECTIVE APRIL 2018

	Firm		Small & Large Interruptible	Air Force Interruptible
	Residential & General Service	Optional Seasonal		
<u>Gas Cost Adjustment:</u>				
Gas Cost Level (Exhibit B)	\$3.724	\$3.814	\$2.658	\$2.646
Prior Filed Gas Cost	4.253	4.344	3.183	3.170
Current Gas Cost Adjustment	(\$0.529)	(\$0.530)	(\$0.525)	(\$0.524)
<u>Surcharge Adjustment:</u>				
Current Adjustment	\$0.025	\$0.025	\$0.005	(\$0.020)
Prior Filed Adjustment	0.025	0.025	0.005	(0.020)
Change in Surcharge Adjustment	\$0.000	\$0.000	\$0.000	\$0.000
Gas Cost Level	\$3.724	\$3.814	\$2.658	\$2.646
Plus: Surcharge	0.025	0.025	0.005	(0.020)
Total Gas Cost Level in Tariff Rates	\$3.749	\$3.839	\$2.663	\$2.626
<u>Grain Drying Margin Sharing</u>				
Current Adjustment	(\$0.012)	(\$0.012)	\$0.000	\$0.000
Prior Filed Adjustment	(0.012)	(0.012)	0.000	0.000
Change in Grain Drying Margin Sharing	\$0.000	\$0.000	\$0.000	\$0.000
Total Cost of Gas Items	\$3.737	\$3.827	\$2.663	\$2.626
Net Increase (Decrease) in Gas Costs	(\$0.529)	(\$0.530)	(\$0.525)	(\$0.524)

**MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
RESIDENTIAL AND GENERAL SERVICE
EFFECTIVE APRIL 2018**

	Amount
Total Gas Costs 1/	\$58,833,007
Residential and General Service dk Requirements 2/	15,871,446
Average Cost of Gas per dk	\$3.707
Average Cost of Gas as Adjusted for Losses @ 99.55%	3.724
Less: Gas Cost Level in Rates 3/	4.253
Current Gas Cost Adjustment	(\$0.529)

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 December 31, 2017, adjusted for losses at .45%.

3/ Gas Cost Level in Current Tariff Rates Case No. PU-18-008 effective March 1, 2018:

Cost of Purchased Gas	\$4.234
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$4.253

MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
OPTIONAL SEASONAL - RATE 72
EFFECTIVE APRIL 2018

Total Gas Costs 1/	\$58,833,007
Less: Annual MDDQ Costs	<u>17,588,566</u>
Total Gas Costs excluding MDDQ	\$41,244,441
Firm Service Requirements 1/	15,871,446
Other Gas Costs per Dk (excluding MDDQ)	\$2.599
<u>Winter - October - May</u>	
Annual MDDQ Costs 1/	\$17,588,566
Winter Firm Service Requirements	14,683,930
MDDQ Costs per Winter Dk	\$1.198
Add: Other Gas Costs per Dk	<u>2.599</u>
Winter Seasonal Rate	\$3.797
Winter Seasonal Rate, adjusted for losses 2/	\$3.814
Less: Gas Cost Level in Rates 3/	<u>4.344</u>
Current Gas Cost Adjustment	<u><u>(\$0.530)</u></u>

1/ Exhibit B, page 1.

2/ Loss factor of .45%.

3/ Gas Cost Level in Current Tariff Rates Case No. PU-18-008 effective March 1, 2018:

	<u>Winter</u>
Cost of Purchased Gas	\$4.324
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$4.344

MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
INTERRUPTIBLE
EFFECTIVE APRIL 2018

	Amount
Total Gas Costs 1/	\$16,401,138
Interruptible Service dk Requirements	6,198,292
Average Cost of Gas per dk	\$2.646
Average Cost of Gas as Adjusted for Losses @ 99.55%	2.658
Less: Gas Cost Level in Rates 2/	3.183
Current Gas Cost Adjustment	(\$0.525)

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-18-008 effective March 1, 2018:

Cost of Purchased Gas	\$3.169
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$3.183

MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
AIR FORCE INTERRUPTIBLE
EFFECTIVE APRIL 2018

	<u>Amount</u>
Total Gas Costs 1/	\$1,267,848
Air Force Interruptible dk Requirements	479,120
Average Cost of Gas per dk	\$2.646
Less: Gas Cost Level in Rates 2/	<u>3.170</u>
Current Gas Cost Adjustment	<u><u>(\$0.524)</u></u>

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, allocated to Air Force interruptible on MDDQ.

2/ Gas Cost Level in Current Tariff Rates Case No. PU-18-008 effective March 1, 2018:
Cost of Purchased Gas \$3.170

Montana-Dakota Utilities Co.
Schedule of Applicable Effective Pipeline Rates
April 2018 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
APRIL 2018 PGA**

Northern Border 1/	
Monchy to Mina Mileage	506.0943
Maximum Rate	<u>\$0.0272</u>
Maximum Rate Per 100 Miles	\$0.1377
Foothills (FT) Zone 9	
Rate (Canadian GJ/d) 2/	\$0.0660
GJ/d conversion to MMBtu	1.0551
Currency Exchange Rate 3/	<u>0.7781</u>
	0.0542
NOVA - FT-D	
Demand Rate (Canadian GJ/d) 4/	\$0.1557
GJ/d conversion to MMBtu	1.0551
Currency Exchange Rate 3/	<u>0.7781</u>
	0.1278
Northern Border Et Al Rate	<u><u>\$0.3197</u></u>

- 1/ T-1 & T-1B Daily Reservation Rate, Port of Morgan, MT to Ventura, IA effective January 1, 2018.
- 2/ Rate Schedule FT, Firm Service Zone 9, rates effective January 1, 2018.
- 3/ Exchange rate per March 2, 2018 Gas Daily.
- 4/ FT-D Demand Rate per Month, Empress/McNeill Border, rates effective January 1, 2018 (expressed as a daily rate). Includes a 10% discount rate.

**MONTANA-DAKOTA UTILITIES CO.
NORTHWESTERN ENERGY DEMAND AND COMMODITY CHARGES
APRIL 2018 PGA**

<u>Demand:</u>	<u>Billing Determinants</u>	<u>Rate</u>	<u>Annual Charge</u>
Monthly Meter Charges 1/	12	\$295.35	\$3,544
MDDQ 2/	10,700	10.113707	1,298,600
			<u>1,302,144</u>
Demand charge per dk			<u><u>\$10.14131</u></u>
<u>Commodity: 3/</u>			
Transportation			\$0.078647
GTAC			<u>\$0.002095</u>
			<u><u>\$0.080742</u></u>

1/ One meter rated at >30,000 cubic feet per hour.

2/ Firm Transportation Reservation Rate (T-FTG-1)

45th Revised Sheet No. 80.1, effective February 1, 2018.

3/ Firm Transmission Commodity Rate (T-FTG-1)

45th Revised Sheet No. 80.1, effective February 1, 2018.

**MONTANA-DAKOTA UTILITIES CO.
BLACK HILLS GAS TRANSPORTATION CHARGES
APRIL 2018 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><u>\$7.32500</u></u>
<u>Commodity: 2/</u>			
Transportation			<u><u>\$0.08</u></u>

- 1/ Two meters @ \$325/meter. Black Hills Gas WY Rate Schedule TC, First Revised 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 FTN-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	0.798	N.A.	N.A.	0.798
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	1.688%	(0.281)%	1.407%
L&U REIMBURSEMENT	0.281%	0.413%	0.694%

GATHERING - FIRM AND INTERRUPTIBLE

	<u>CURRENT PERCENTAGE</u>	<u>DEFERRAL PERCENTAGE</u>	<u>TOTAL PERCENTAGE</u>
FUEL USE REIMBURSEMENT	5.074%	(0.060)%	5.014%
L&U REIMBURSEMENT	0.129%	0.391%	0.520%

STORAGE - RATE SCHEDULES FS-1 AND IS-1

	<u>CURRENT PERCENTAGE</u>	<u>DEFERRAL PERCENTAGE</u>	<u>TOTAL PERCENTAGE</u>
FUEL USE REIMBURSEMENT	0.485%	(0.135)%	0.350%
L&U REIMBURSEMENT	(0.134)%	0.267%	0.133%

Issued On: March 1, 2018
 Docket Number:
 FERC Order Date:

Effective On: April 1, 2018

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	1.189	(0.029)	1.160

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	0.000	(0.025)	(0.025)

STATEMENT OF RATES

2/

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	\$0.0272
Minimum	\$0.0000
Daily Reservation Rate - Ventura, IA to North Hayden, IN	
Maximum	\$0.0292
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/ Rates in this section are subject to the Adjustment/Recollection provision pursuant to Article V.A.5 of the December 4, 2017, Stipulation at Docket Nos. RP12-1093-000, 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) \$203.40 /10 ³ m ³ / month		
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 ¹	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 \$5.14 /GJ FT-D Demand Rate for Group 2 Delivery Points \$4.89 /GJ FT-D Demand Rate for Group 3 Delivery Points \$5.87 /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 ¹	Refer to Attachment "3" for applicable FT-P Demand Rate per month		
7. Rate Schedule LRS-3	LRS-3 Demand Rate per month \$129.55 /10 ³ m ³ / month		
8. Rate Schedule IT-R	Refer to Attachment "1" for applicable IT-R Rate for each Receipt Point		
9. Rate Schedule IT-D ¹	Refer to Attachment "2" for applicable IT-D Rate for each Delivery Point		
10. Rate Schedule FCS	The FCS Charge is determined in accordance with Attachment "1" to the applicable Schedule of Service		
11. Rate Schedule PT	The PT Charge is determined in accordance with the applicable Schedule of Service		
12. Rate Schedule OS	<u>Schedule No.</u>	<u>Charge</u>	
	2017943711	\$117.50	/10 ³ m ³ / month
	2017939621	\$117.50	/10 ³ m ³ / month
	2017939620	\$117.50	/10 ³ m ³ / month
	2017939619	\$117.50	/10 ³ m ³ / month
	2017944787	\$117.50	/10 ³ m ³ / month
	2011475772	\$9,250.00	/ month
	2017849279	\$788.00	/ month
	2003004522	Applicable IT-R and IT-D Rate	
	2011476052 /	\$0.1609	/ GJ subject to
	2011476054	\$717,000.00	Minimum Annual Charge
	2017887638 / 2011476092 /	\$0.095	/ GJ and
	2016721799 / 2016759254	\$1,000.00	/ month
13. Rate Schedule CO2	<u>Tier</u>	<u>CO₂ Rate (\$/10³m³)</u>	
	1	543.57	
	2	430.09	
	3	279.27	
14. Monthly Abandonment Surcharge ²	\$10.51 /10 ³ m ³ / month	\$0.28 /GJ/month	
15. Daily Abandonment Surcharge ³	\$0.35 /10 ³ m ³ /day	\$0.0091 /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: 2017943711, 2017939621, 2017939620, 2017939619, 2017944787.

3. Daily Abandonment Surcharge applicable to Rate Schedules IT-R, IT-D, the following Rate Schedules OS: 2011476052, 2011476054, 2017887638 2011476092, 2016721799, 2016759254, 2003004522, and if applicable Over-Run Gas.

Group 1 Delivery Point Number	Group 1 Delivery Point Name	FT-D Demand Rate Price Point "Z" (\$/GJ/mo)	IT-D Rate (\$/GJ/d)
2000	ALBERTA-B.C. BORDER	4.89	0.1770
31111	ALLIANCE CLAIRMONT INTERCONNECT APN	4.89	0.1770
31110	ALLIANCE EDSON INTERCONNECT APN	4.89	0.1770
31112	ALLIANCE SHELL CREEK INTERCONNECT APGC	4.89	0.1770
3002	BOUNDARY LAKE BORDER	4.89	0.1770
1958	EMPRESS BORDER	5.27	0.1907
3886	GORDONDALE BORDER	4.89	0.1770
6404	MCNEILL BORDER	5.27	0.1907

Group 2 Delivery Point Number	Group 2 Delivery Point Name	FT-D Demand Rate Price Point "Z" (\$/GJ/mo)	IT-D Rate (\$/GJ/d)	Subject to ATCO Pipelines Franchise Fees ¹
31000	A.T. PLASTICS SALES APN	4.89	0.1770	Yes
31001	ADM AGRI INDUSTRIES SALES APN	4.89	0.1770	Yes
3880	AECO INTERCONNECTION	4.89	0.1770	
31003	AGRIUM CARSELAND SALES APS	4.89	0.1770	
31002	AGRIUM FT. SASK SALES APN	4.89	0.1770	Yes
31004	AGRIUM REDWATER SALES APN	4.89	0.1770	
31005	AINSWORTH SALES APGP	4.89	0.1770	
31006	AIR LIQUIDE SALES APN	4.89	0.1770	
3214	AQUINU RIVER WEST SALES	4.89	0.1770	
31007	ALBERTA ENVIROFUELS SALES APN	4.89	0.1770	Yes ²
31008	ALBERTA HOSPITAL SALES APN	4.89	0.1770	Yes
3868	ALBERTA-MONTANA BORDER	4.89	0.1770	
3297	ALDER FLATS SOUTH NO 2 SALES	4.89	0.1770	
3059	ALLISON CREEK SALES	4.89	0.1770	
31009	ALTASTEEL SALES APN	4.89	0.1770	Yes ²
3562	AMOCO SALES (BP SALES TAP)	4.89	0.1770	
31012	APL JASPER SALES APN	4.89	0.1770	Yes
3488	ARDLEY SALES	4.89	0.1770	
3237	ASPEN SALES	4.89	0.1770	
3662	ATUSIS CREEK EAST SALES	4.89	0.1770	
3216	AURORA NO 2 SALES	4.89	0.1770	
3135	AURORA SALES	4.89	0.1770	
3288	BANTRY SALES	4.89	0.1770	
3423	BASHAW WEST SALES	4.89	0.1770	
31013	BAYMAG SALES APS	4.89	0.1770	
31014	BEAR CREEK COGEN SALES APGP	4.89	0.1770	
3299	BEAR RIVER WEST SALES	4.89	0.1770	
3068	BEAVER HILLS SALES	4.89	0.1770	
3268	BENBOW SOUTH SALES	4.89	0.1770	
3933	BIG EDDY INTERCONNECTION	4.89	0.1770	
3655	BIG PRAIRIE SALES	4.89	0.1770	
3067	BIGSTONE SALES	4.89	0.1770	
3285	BILBO SALES	4.89	0.1770	
3468	BLEAK LAKE SALES	4.89	0.1770	
3295	BOOTIS HILL SALES	4.89	0.1770	

NATURAL GAS TARIFF



Canceling 45th Revised Sheet No. 80.1
44th 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	\$ 92.60		\$ 92.60
10,001 to 30,000	\$ 133.10		\$ 133.10
>30,000	\$ 295.35		\$ 295.35
<u>PLUS:</u>			
Transmission Reservation Rate (MDDQ):			
Maximum Monthly Reservation Rate for Maximum Daily Delivery Quantity (MDDQ)	\$ 1.0113707	\$ 0.2546024	\$ 0.7567683
Transmission Commodity Rate (Therm):			
Maximum	\$ 0.0078647	\$ 0.0021300	\$ 0.0057347
Minimum	\$ 0.0017935		\$ 0.0017935
GTAC Amortization	\$ 0.0002095		\$ 0.0002095
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)

Docket No.: D2017.11.86
Tariff Letter No. 298-G
Accepted as Filed. No Commission action required

Effective for service rendered on or after
February 1, 2018

PUBLIC SERVICE COMMISSION
MONTANA
Suzanne Kissel Administrative Assistant



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

STATE OF SOUTH DAKOTA
GAS RATE SCHEDULE

NG-00-001

South Dakota Intrastate Pipeline Company

SD P.U.C. Section No. 4



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	0.554%
	MLI	MLE	\$145.00	\$0.00	\$0.00	\$0.1040	\$0.0010	0.554%
	MLI	DSE	\$225.00	\$0.00	\$0.00	\$0.1703	\$0.0020	1.542%
Interruptible Transportation 4/	MLI	MLI	\$0.00	\$0.00	\$0.00	\$0.0844	\$0.0010	0.554%
	MLI	MLE	\$145.00	\$0.00	\$0.00	\$0.0844	\$0.0010	0.554%
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. Further details are given on Sheet No. 56 section 14A.
- 4/ Interruptible Transportation Service is not available to Distribution System End-user 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 APRIL 2018

<u>Billing Determinants</u>		<u>Rate 1/</u>	<u>Amount</u>
<u>Demand Charges</u>			
<u>Transportation</u>			
FT-1 MDDQ	153,382	dk/Month \$9.21000	\$16,951,779
FTN-1 MDDQ		dk/Month 0.24274	
Northern Border et. al.		dk/Month 0.31970	
T-FTG-1 MDDQ		dk/Month 10.14131	
Black Hills Gas		dk/Month 7.32500	
<u>Storage</u>			
FS-1 Capacity Reservation		dk/Month 0.01757	
FS-1 Deliverability Reservation		dk/Month 2.01507	
Total Demand Charges			21,559,445
<u>Commodity Charges</u>			
<u>Transportation Charges</u>			
FT-1 Commodity		dk 0.02972	
Fuel - Transp. WBI		dk	
Electric Power WBI		dk 0.01160	
Fuel - Transp. NB		dk	
T-FTG-1 Commodity		dk 0.08074	
Fuel - Transp. NW		dk	
SDIP		dk 2.39800	
Black Hills Gas		dk 0.08000	
<u>Storage Charges</u>			
FS-1 Injection		dk 0.01221	
FS-1 Withdrawal		dk 0.01221	
Fuel - Storage		dk	
Electric Power WBI		dk (0.00025)	
<u>Gas Commodity Charges</u>			
Gas Commodity - System	15,871,446	dk	2/
Total Commodity Charges			36,866,190
<u>Return on Rate Base</u>			
Demand Charges 3/			89,368
Prepaid Commodity Balances 3/			25,465
Cycle Storage Balances 3/			292,539
Total Return			407,372
Total Gas Costs			\$58,833,007
Residential and General Service dk Requirements 4/			15,871,446
Average Cost of Gas per dk			\$3.707
Average Cost of Gas as Adjusted for Losses @ 99.55%			3.724
Less: Gas Cost Level in Rates 5/			4.253
Current Gas Cost Adjustment			(\$0.529)

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 April 2018.

3/ Exhibit C

4/ Normalized dk sales for the twelve months ended December 31, 2017, adjusted for losses at .45%.

5/ Gas Cost Level in Current Tariff Rates Case No. PU-18-008 effective March 1, 2018:

Cost of Purchased Gas	\$4.234
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$4.253

MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
INTERRUPTIBLE
EFFECTIVE APRIL 2018

<u>Interruptible Billing Determinants 1/</u>	<u>Rate 2/</u>	<u>Amount</u>
<u>Demand Charges</u>		
<i>Transportation</i>		
FT-1 MDDQ	16,504 dk/Month	\$9.21000
FTN-1 MDDQ	dk/Month	0.24274
Northern Border et. al.	dk/Month	0.31970
T-FTG-1 MDDQ	dk/Month	10.14131
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
Total Demand Charges		2,326,093
<u>Commodity Charges</u>		
<i>Transportation Charges</i>		
FT-1 Commodity	dk	0.02972
Fuel - Transp. WBI	dk	
Electric Power WBI	dk	0.01160
Fuel - Transp. NB	dk	
T-FTG-1 Commodity	dk	0.08074
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	(0.00025)
<i>Gas Commodity Charges</i>		
Gas Commodity	6,198,292 dk	3/
Total Commodity Charges		14,029,942
<u>Return on Rate Base</u>		
Demand Charges 4/		9,895
Transportation Balances 4/		2,819
Cycle Storage Balances 4/		32,389
Total Return		45,103
Total Gas Costs		\$16,401,138
Interruptible Service dk Requirements		6,198,292
Average Cost of Gas per dk		\$2.646
Average Cost of Gas as Adjusted for Losses @ 99.55%		2.658
Less: Gas Cost Level in Rates 5/		3.183
Current Gas Cost Adjustment		(\$0.525)

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 April 2018.

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

5/ Gas Cost Level in Current Tariff Rates Case No. PU-18-008 effective March 1, 2018:

Cost of Purchased Gas	\$3.169
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$3.183

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MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
AIR FORCE INTERRUPTIBLE
EFFECTIVE APRIL 2018

<u>Air Force Billing Determinants</u>	<u>Rate 1/</u>	<u>Amount</u>
<u>Demand Charges</u>		
<u>Transportation</u>		
FT-1 MDDQ	1,276 dk/Month	\$9.21000
FTN-1 MDDQ		0.24274
Northern Border et. al.		0.31970
T-FTG-1 MDDQ		10.14131
Black Hills Gas		7.32500
<u>Storage</u>		
FS-1 Capacity Reservation	dk/Month	0.01757
FS-1 Deliverability Reservation	dk/Month	2.01507
Total Demand Charges		179,860
<u>Commodity Charges</u>		
<u>Transportation Charges</u>		
FT-1 Commodity	dk	0.02972
Fuel - Trans. WBI	dk	
Electric Power WBI	dk	0.01160
Fuel - Trans. NB	dk	
T-FTG-1 Commodity	dk	0.08074
Fuel - Transp. NW	dk	
SDIP	dk	2.39800
Black Hills Gas	dk	0.08000
<u>Storage Charges</u>		
FS-1 Injection	dk	0.01221
FS-1 Withdrawal	dk	0.01221
Fuel - Storage	dk	
Electric Power WBI	dk	(0.00025)
<u>Gas Commodity Charges</u>		
Gas Commodity	479,120 dk	2/
Total Commodity Charges		1,084,501
<u>Return on Rate Base</u>		
Demand Charges 3/		765
Transportation Balances 3/		218
Cycle Storage Balances 3/		2,504
Total Return		3,487
Total Gas Costs		\$1,267,848
100% Load Factor dk Requirements		479,120
Average Cost of Gas per dk		\$2.646
Less: Gas Cost Level in Rates 4/		3.170
Current Gas Cost Adjustment		(\$0.524)

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 April 2018.

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

4/ Gas Cost Level in Current Tariff Rates Case No. PU-18-008 effective March 1, 2018:

Cost of Purchased Gas \$3.170

**MONTANA-DAKOTA UTILITIES CO.
RETURN ON CYCLE STORAGE BALANCES
AND PREPAID DEMAND AND COMMODITY BALANCES
NORTH DAKOTA GAS
EFFECTIVE APRIL 2018**

	General Service		
	Storage Balance 1/	Prepaid Commodity Balance 2/	Prepaid Demand
October 2017	\$9,806,681	\$411,451	\$4,405,113
November	8,049,618	362,743	3,527,690
December	4,892,464	268,267	1,657,040
January 2018	1,242,771	159,792	(423,205)
February	(1,847,062)	63,633	(1,909,814)
March	(3,114,432)	25,757	(2,829,675)
April	(2,764,412)	42,426	(2,604,314)
May	(994,092)	126,950	(1,512,545)
June	1,379,335	241,392	(42,946)
July	3,821,996	360,322	1,415,062
August	6,074,314	478,428	2,873,070
September	7,893,648	579,938	4,152,584
October	8,400,348	608,195	4,379,511
13 month average	<u>\$3,295,475</u>	<u>\$286,869</u>	<u>\$1,006,736</u>
Rate of Return	7.340%	7.340%	7.340%
Return	\$241,888	\$21,056	\$73,894
Return Requirement 3/	<u>\$292,539</u>	<u>\$25,465</u>	<u>\$89,368</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.

3/ Revenue requirement reflects federal income tax rate enacted in the 2017 Tax Cuts and Jobs Act.

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

	(Over) Under Recovery	Refunds & Other	Interest 1/	Total Net Additions	Actual Dk Sales	Adjustment Per Dk	Total Adjustment Amount	Net Change- Additions less Adjustment	Cumulative Balance
Balance @ July 31, 2017									<u>\$333,122</u>
August	(\$280,672)	\$0	\$174	(\$280,498)	301,526	(\$0.112)	(\$33,771)	(\$246,727)	86,395
September	(181,433)	0	46	(181,387)	291,062	(0.112)	(32,598)	(148,789)	(62,394)
October	(16,634)	0	(56)	(16,690)	564,425	0.025	(34,282) 2/	17,592	(44,802)
November	166,340	0	(47)	166,293	1,262,823	0.025	31,569	134,724	89,922
December	97,260	0	61	97,321	2,007,882	0.025	50,198	47,123	137,045
January 2018	237,712	0	99	237,811	2,995,225	0.025	74,880	162,931	299,976
Balance @ January 31, 2018									<u>\$299,976</u>

1/ Interest calculated at Three Month Treasury Bill rate.

2/ Reflects 353,233 dk @ (\$0.112) and 211,192 dk @ \$0.025.

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

	(Over) Under Recovery	Refunds & Other	Interest 1/	Total Net Additions	Actual Dk Sales	Adjustment Per Dk	Total Adjustment Amount	Net Change- Additions less Adjustment	Cumulative Balance
Balance @ July 31, 2017									<u><u>(\$6,460)</u></u>
August	(\$6,102)	\$0	(\$3)	(\$6,105)	13,796	(\$0.147)	(\$2,028)	(\$4,077)	(10,537)
September	(3,840)	0	(5)	(3,845)	46,644	(0.147)	(6,857)	3,012	(7,525)
October	241	0	(6)	235	57,036	0.005	(7,940) 2/	8,175	650
November	5,162	0	1	5,163	113,460	0.005	567	4,596	5,246
December	16,192	0	4	16,196	117,508	0.005	589	15,607	20,853
January 2018	14,017	0	15	14,032	85,749	0.005	428	13,604	34,457
Balance @ January 31, 2018									<u><u>\$34,457</u></u>

1/ Interest calculated at Three Month Treasury Bill rate.
2/ Reflects 54,112 dk @ (\$0.147) and 2,924 dk @ \$0.005.

**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 & 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>
Balance @ July 31, 2017									<u><u>(\$11,652)</u></u>
August	(\$6,270)	\$0	(\$6)	(\$6,276)	3,420	(\$0.230)	(\$787)	(\$5,489)	(17,141)
September	(3,732)	0	(9)	(3,741)	4,008	(0.230)	(921)	(2,820)	(19,961)
October	45	0	(18)	27	7,762	(0.020)	(1,786) 2/	1,813	(18,148)
November	(3,068)	0	(19)	(3,087)	23,748	(0.020)	(475)	(2,612)	(20,760)
December	3,417	0	(14)	3,403	50,251	(0.020)	(1,005)	4,408	(16,352)
January 2018	12,161	0	(12)	12,149	60,317	(0.020)	(1,207)	13,356	(2,996)
Balance @ January 31, 2018									<u><u>(\$2,996)</u></u>

1/ Interest calculated at Three Month Treasury Bill rate.

2/ Reflects 7,762 dk @ (\$0.230) and 0 dk @ (\$0.020).