



UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

October 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 (171<sup>st</sup> Revised Sheet No. 3) showing the proposed natural gas rates, with currently effective distribution rates. The Rate Summary Sheet also reflects the new Contracted Demand Service Rate 74 shown in the Compliance Filing – Final Rates filed on October 5, 2018, under Montana-Dakota's Natural Gas Rate Case No. PU-17-295 proposed to be effective with service rendered on and after November 1, 2018.

Montana-Dakota purchases gas supplies under a number of contracts. The commodity cost of gas has decreased \$0.146 per dk since the October 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. There has been a change in pipeline rates as shown on Attachment C, increasing the cost of gas by \$0.013 per dk in North Dakota. In addition, Montana-Dakota has added capacity of 30,000 dk per day through the Valley Expansion and Viking for supplemental capacity to serve its customer. There has also been a system wide change in demand allocation. The net effect of these changes in capacity is an increase of approximately \$0.356 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 November 2018.

The net effect of this filing, calculated pursuant to the terms of Rate 88, is an increase of \$0.223 per dk for residential customers and firm general customers, a decrease of \$0.099 per dk for small and large interruptible customers, and a decrease of \$0.098 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 November 2018. The average cost of gas for firm customers, adjusted for losses, is \$3.922.

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 7.236% was authorized by the Commission in Case No. PU-17-295, proposed to be effective November 1, 2018.

Montana-Dakota purchases propane supplies from various wholesale suppliers. 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 November 2018. The net effect of this filing is an increase of \$3.403 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 November 2018. The average cost of propane for all customers, adjusted for losses, is \$9.880 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 \$422,900 for natural gas customers during the month of November 2018. All of Montana-Dakota's retail natural gas customers in North Dakota may be affected by this proposal. There were 108,818 natural gas customers and 341 propane customers in North Dakota as of September 30, 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

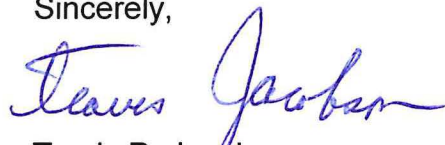
Montana-Dakota submitted a check on February 8, 2018 to the North Dakota Public Service Commission for \$600 pursuant to the requirements of North Dakota Century Code Section 49-05-05. This payment will cover the filing fee associated with the monthly COG filings.

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) 222-7855 or [travis.jacobson@mdu.com](mailto:travis.jacobson@mdu.com)

Sincerely,



Travis R. Jacobson  
Manager 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

171<sup>st</sup> Revised Sheet No. 3

Canceling 170<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	\$0.6860 per day	\$0.000	\$3.695	\$3.695
Air Force Rate 64	7				
Minot Air Force Base		\$2,000.00 per month			
PAR Site		\$175.00 per month			
Firm Service			\$0.329	\$3.695	\$4.024
Interruptible Service - PAR			\$0.177	\$2.529	\$2.706
Interruptible Service - MAFB			\$0.177	\$2.507	\$2.684
Firm General Service Rate 70	13				
Meters rated < 500 cubic feet		\$0.70 per day			
Meters rated > 500 cubic feet		\$2.05 per day	\$0.811	\$3.695	\$4.506
Small Interruptible Gas Rate 71	14	\$190.00 per month	(Maximum) \$1.063	\$2.529	(Maximum) \$3.592
Optional Seasonal Gas Service Rate 72	15				
Meters rated < 500 cubic feet		\$0.70 per day			
Meters rated > 500 cubic feet		\$2.05 per day	\$0.811	\$3.813	\$4.624
Contracted Demand Service Rate 74	16		(Demand Charge)	(Capacity Charge)	\$10.700
Meters rated < 500 cubic feet		\$0.70 per day			
Meters rated > 500 cubic feet		\$2.05 per day	\$6.510	(COG/Dk)	\$2.150
Transportation Service	24				
Small Interruptible Rate 81		\$190.00 per month			
Maximum			\$0.668		
Minimum			\$0.102		
Large Interruptible Rate 82		\$1,500.00 per month			
Maximum			\$0.231		
Minimum			\$0.061		
Large Interruptible Gas Rate 85	27	\$1,500.00 per month	(Maximum) \$0.718	\$2.529	(Maximum) \$3.247
Residential Propane Rate 90	32	\$0.6860 per day	\$0.000	\$9.496	\$9.496
Firm General Propane Rate 92	34				
Meters rated < 500 cubic feet		\$0.70 per day			
Meters rated > 500 cubic feet		\$2.05 per day	\$0.811	\$9.496	\$10.307

Date Filed: October 8, 2018

Effective Date: November 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  
November 2018**

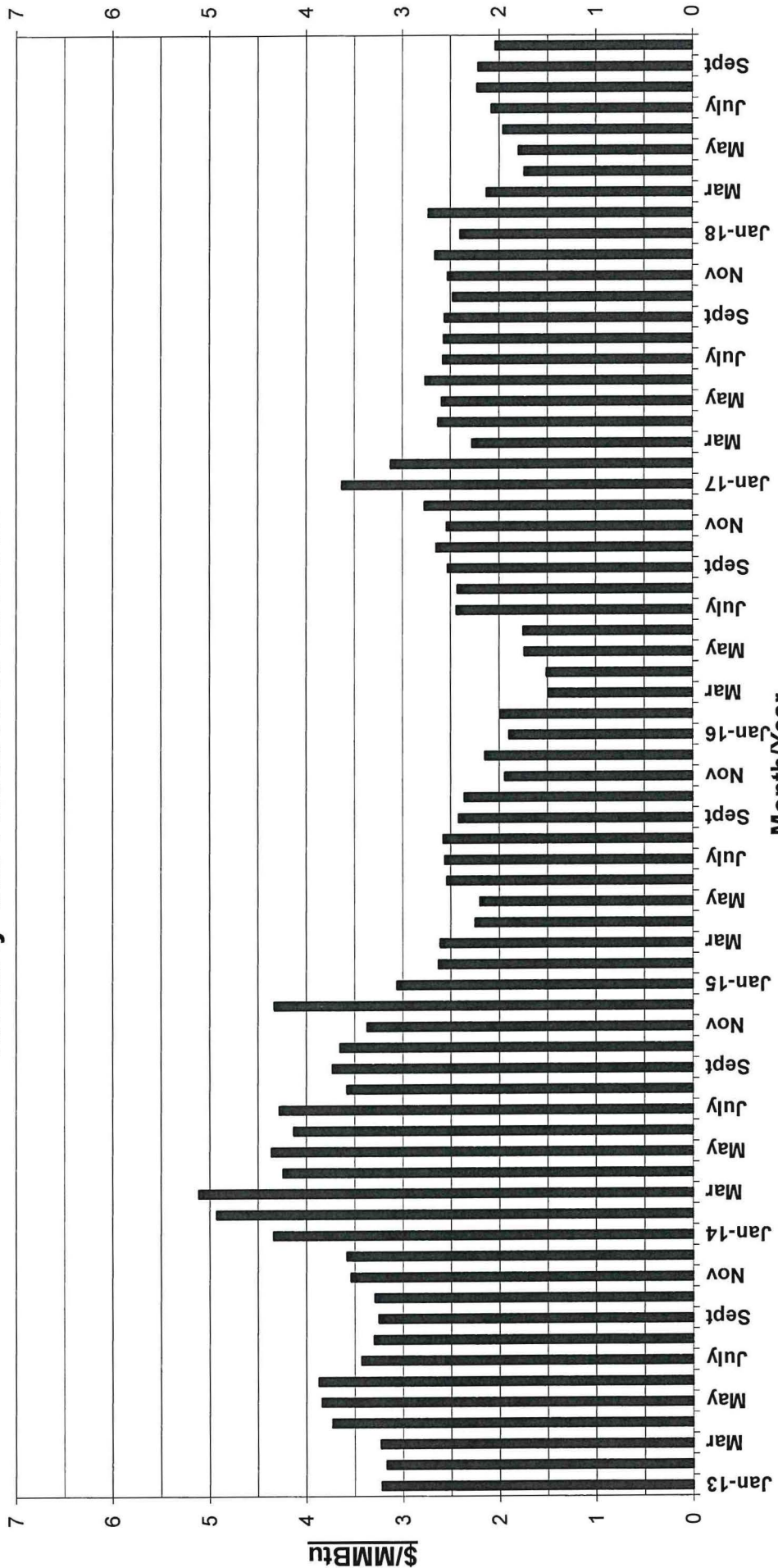
The established monthly price for the Rocky Mountain CIG Index has decreased by \$0.18/MMBTU from the previous filing to a posted \$2.04/MMBTU. The CIG Rocky Mountain Index is based on a price discovery survey by several natural gas periodicals, including “Inside FERC Gas Market” report and “Gas Daily” 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.

Prices across the United States are mixed as weather moderates on a regional basis. EIA reported in its September 26, 2018 edition of *Natural Gas Weekly Update* that supply and demand dropped in the U.S. by 2.0 Bcf/day to 76.0 citing reduction in natural gas generation.

The EIA reported nationwide storage levels as of September 21, 2018 at 18.3 percent below the five-year average and 20.0 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-\$2.13

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

**WBI Energy Transmission, Inc. Docket No. RP18-1124-000**

On August 31, 2018, WBI Energy Transmission, Inc. filed its annual fuel and electric power reimbursement adjustments with the FERC in Docket No. RP18-1124-000, reflecting revisions to the fuel and electric power components of WBI Energy's storage and transportation rates effective October 1, 2018.

Approximate impact on Montana-Dakota's cost of gas: 1.3 cents per dk.

**New Capacity Contracts**

Effective November 1, 2018, WBI Energy Transmission, Inc. Valley Expansion Contract No. FT-1468 for 30,000 dk per day to serve Montana-Dakota customers. Also contracted with Viking Gas Transmission Company for 30,000 dk per day for supplemental pipeline capacity.

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

	Firm			Small & Large Interruptible	Air Force Interruptible
	Residential & General Service	Optional Seasonal	Contracted Demand		
<b><u>Gas Cost Adjustment:</u></b>					
Gas Cost Level (Exhibit B)	\$3.922	\$4.045	\$2.377	\$2.550	\$2.539
Prior Filed Gas Cost (Effective 10/1/2018)	3.699	3.794	0.000	2.649	2.637
Current Gas Cost Adjustment	\$0.223	\$0.251	\$2.377	(\$0.099)	(\$0.098)
<b><u>Surcharge Adjustment:</u></b>					
Current Adjustment	(\$0.214)	(\$0.214)	(\$0.214)	(\$0.021)	(\$0.032)
Prior Filed Adjustment	(0.214)	(0.214)	0.000	(0.021)	(0.032)
Change in Surcharge Adjustment	\$0.000	\$0.000	(\$0.214)	\$0.000	\$0.000
Gas Cost Level	\$3.922	\$4.045	\$2.377	\$2.550	\$2.539
Plus: Surcharge	(0.214)	(0.214)	(0.214)	(0.021)	(0.032)
<b>Total Gas Cost Level in Tariff Rates</b>	<b>\$3.708</b>	<b>\$3.831</b>	<b>\$2.163</b>	<b>\$2.529</b>	<b>\$2.507</b>
<b><u>Grain Drying Margin Sharing</u></b>					
Current Adjustment	(\$0.013)	(\$0.013)	(\$0.013)	\$0.000	\$0.000
Prior Filed Adjustment	(0.013)	(0.013)	0.000	0.000	0.000
Change in Grain Drying Margin Sharing	\$0.000	\$0.000	(\$0.013)	\$0.000	\$0.000
<b>Total Cost of Gas Items</b>	<b>\$3.695</b>	<b>\$3.818</b>	<b>\$2.150</b>	<b>\$2.529</b>	<b>\$2.507</b>
<b>Net Increase (Decrease) in Gas Costs</b>	<b>\$0.223</b>	<b>\$0.251</b>	<b>\$2.150</b>	<b>(\$0.099)</b>	<b>(\$0.098)</b>

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

**Cost of Gas - Propane**

Current Propane Cost (Exhibit D, Page 1)	\$9.880
Prior Filed Propane Cost	<u>6.477</u>
Current Propane Cost Adjustment	<u><u>\$3.403</u></u>

**Surcharge Adjustment**

Current Adjustment	(\$0.371)
Prior Filed Adjustment	<u>(0.371)</u>
Change in Surcharge Adjustment	\$0.000

**Grain Drying Margin Sharing**

Current Adjustment	(\$0.013)
Prior Adjustment	<u>(0.013)</u>
Change in Grain Drying Margin Sharing	\$0.000

<b>Total Cost of Gas Items</b>	<u><u>\$9.496</u></u>
<b>Net Increase (Decrease) in Gas Costs</b>	<u><u>\$3.403</u></u>

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

	Amount
Total Gas Costs 1/	\$61,711,714
Residential and General Service dk Requirements 2/	15,808,337
Average Cost of Gas per dk	\$3.904
Average Cost of Gas as Adjusted for Losses @ 99.55%	3.922
Less: Gas Cost Level in Rates 3/	3.699
<b>Current Gas Cost Adjustment</b>	<b>\$0.223</b>

1/ Includes all pipeline demand and commodity charges. See Exhibit B, pages 6-24 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 June 30, 2018, adjusted for losses at .45%.

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

Cost of Purchased Gas	\$3.682
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$3.699

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

Total Gas Costs 1/	\$61,711,714
Less: Annual MDDQ Costs	<u>24,304,084</u>
Total Gas Costs excluding MDDQ	\$37,407,630
Firm Service Requirements 1/	15,808,337
Other Gas Costs per Dk (excluding MDDQ)	\$2.366
<u>Winter - October - May</u>	
Annual MDDQ Costs 1/	\$24,304,084
Winter Firm Service Requirements	14,629,250
MDDQ Costs per Winter Dk	\$1.661
Add: Other Gas Costs per Dk	<u>2.366</u>
Winter Seasonal Rate	\$4.027
Winter Seasonal Rate, adjusted for losses 2/	\$4.045
Less: Gas Cost Level in Rates 3/	<u>3.794</u>
<b>Current Gas Cost Adjustment</b>	<b><u><u>\$0.251</u></u></b>

1/ Exhibit B, page 1.

2/ Loss factor of .45%.

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

	<u>Winter</u>
Cost of Purchased Gas	\$3.777
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$3.794

**MONTANA-DAKOTA UTILITIES CO.  
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA  
FIRM GENERAL CONTRACTED DEMAND  
EFFECTIVE NOVEMBER 2018**

<u>Cost of Gas</u>	<u>Amount</u>
Total Gas Costs, Excluding Capacity 1/	\$37,407,630
Residential and General Service dk Requirements 2/	15,808,337
Average Cost of Gas per dk	\$2.366
Average Cost of Gas as Adjusted for Losses @ 99.55%	2.377
Less: Gas Cost Level in Rates 3/	<u>0.000</u>
<b>Current Gas Cost Adjustment</b>	<b><u><u>\$2.377</u></u></b>
<u>Capacity Charge</u>	
Current Monthly Capacity Charge 4/	\$10.70
Prior Filed Capacity Charge 3/	<u>0.00</u>
<b>Current Capacity Charge Adjustment</b>	<b><u><u>\$10.70</u></u></b>

1/ Includes storage demand and all commodity charges. See Exhibit B, pages 6-24 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 June 30, 2018, adjusted for losses at .45%.

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

Cost of Purchased Gas	\$0.000
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$0.000
Monthly Capacity Charge	\$0.00

4/ Annual MDDQ Costs divided by contracted capacity.

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

	Amount
Total Gas Costs 1/	\$15,230,544
Interruptible Service dk Requirements	5,999,328
Average Cost of Gas per dk	\$2.539
Average Cost of Gas as Adjusted for Losses @ 99.55%	2.550
Less: Gas Cost Level in Rates 2/	2.649
<b>Current Gas Cost Adjustment</b>	<b>(\$0.099)</b>

1/ Includes all pipeline demand and commodity charges. See Exhibit B, pages 6-24 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 October 1, 2018:

Cost of Purchased Gas	\$2.637
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$2.649

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

	Amount
Total Gas Costs 1/	\$1,161,634
Air Force Interruptible dk Requirements	457,577
Average Cost of Gas per dk	\$2.539
Less: Gas Cost Level in Rates 2/	2.637
<b>Current Gas Cost Adjustment</b>	<b>(\$0.098)</b>

1/ Includes all pipeline demand and commodity charges. See Exhibit B, pages 6-24 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 October 1, 2018:  
Cost of Purchased Gas \$2.637

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

WBI Energy Transmission, Inc. - Exhibit B, pages 11 - 16 for Schedules FT-1, FT-1 (Valley Expansion), FTN-1, and FS-1.

Northern Border Pipeline Company - Exhibit B, page 17 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 18-19 for Schedule FT-D.

NorthWestern Energy - Exhibit B, page 20 for Schedule T-FTG-1.

South Dakota Intrastate Pipeline - Exhibit B, page 21 for Rate 1.

Black Hills Gas Distribution, LLC - Exhibit B, Page 22 for Schedule TC.

Viking Gas Transmission Company - Exhibit B, Page 23-24 for Category 3 FT-A.

**MONTANA-DAKOTA UTILITIES CO.  
CALCULATION OF NORTHERN BORDER ET AL RATE  
EFFECTIVE NOVEMBER 2018**

<b>Northern Border 1/</b>	
Monchy to Mina Mileage	506.0943
Maximum Rate	\$0.0256
Maximum Rate Per 100 Miles	<u>\$0.1296</u>
<b>Foothills (FT) Zone 9</b>	
Rate (Canadian GJ/d) 2/	\$0.0660
GJ/d conversion to MMBtu	1.0551
Currency Exchange Rate 3/	0.7811
	<u>0.0544</u>
<b>NOVA - FT-D</b>	
Demand Rate (Canadian GJ/d) 4/	\$0.1593
GJ/d conversion to MMBtu	1.0551
Currency Exchange Rate 3/	0.7811
	<u>0.1313</u>
<b>Northern Border Et Al Rate</b>	<u><u>\$0.3153</u></u>

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

**MONTANA-DAKOTA UTILITIES CO.  
NORTHWESTERN ENERGY DEMAND AND COMMODITY CHARGES  
EFFECTIVE NOVEMBER 2018**

<u>Demand:</u>	<u>Billing Determinants</u>	<u>Rate</u>	<u>Annual Charge</u>
Monthly Meter Charges 1/ MDDQ 2/	12 10,700	\$393.75 10.182596	\$4,725 1,307,445 <u>1,312,170</u>
Demand charge per dk			<u><u>\$10.21939</u></u>
<u>Commodity: 3/</u>			
Transportation			\$0.077184
GTAC			<u>\$0.015956</u>
			<u><u>\$0.093140</u></u>

- 1/ One meter rated at >30,000 cubic feet per hour.  
 2/ Firm Transportation Reservation Rate (T-FTG-1)  
 47th Revised Sheet No. 80.1, effective July 1, 2018.  
 3/ Firm Transmission Commodity Rate (T-FTG-1)  
 47th Revised Sheet No. 80.1, effective July 1, 2018.

**MONTANA-DAKOTA UTILITIES CO.  
BLACK HILLS GAS TRANSPORTATION CHARGES  
EFFECTIVE NOVEMBER 2018**

<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.

**MONTANA-DAKOTA UTILITIES CO.  
SOUTH DAKOTA INTRASTATE PIPELINE TRANSPORTATION CHARGES  
MONTANA-DAKOTA UTILITIES CO.**

<u>Demand:</u>	<u>Monthly Rate 1/</u>	<u>Billing Determinants 2/</u>	<u>Total</u>
MDDQ	159,540.83	15,588	\$10.23485

1/ SD Intrastate Pipeline 1st Revised Sheet No. 1 effective September 1, 2018 through August 31, 2023. Previously, Montana-Dakota paid on a per Dk commodity transported. The allocation is now on a capacity basis.

2/ Dk daily capacity per agreement for Montana-Dakota Utilities Co. on Firm Transportation Service.

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."

Issued On: February 27, 2015  
 Docket Number: RP15-540-000  
 FERC Order Date: March 18, 2015

Effective On: April 1, 2015

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 (VALLEY EXPANSION) A/B					
-----					
RESERVATION CHARGE					
MAXIMUM DAILY DELIVERY QUANTITY (MDDQ)					
MAXIMUM	RATE PER EQV. DKT PER MO.	1890.563	N.A.	N.A.	1890.563
MINIMUM	RATE PER EQV. DKT PER MO.	0.000	N.A.	N.A.	0.000
COMMODITY CHARGE					
MAXIMUM C/D/E/	RATE PER DKT	2.842	N.A.	N.A.	2.842
MINIMUM C/D/E/	RATE PER DKT	2.842	N.A.	N.A.	2.842
SCHEDULED OVERRUN CHARGE					
MAXIMUM C/D/E/	RATE PER DKT	32.112	N.A.	N.A.	32.112
MINIMUM C/D/E/	RATE PER DKT	2.842	N.A.	N.A.	2.842
VOLUMETRIC CAPACITY RELEASE CHARGE					
MAXIMUM	RATE PER DKT	62.155	N.A.	N.A.	62.155
MINIMUM	RATE PER DKT	0.000	N.A.	N.A.	0.000

- 
- A/ APPLICABLE ONLY FOR INCREMENTAL CAPACITY CERTIFICATED IN DOCKET NO. CP17-257-000.
  - B/ REFER TO RATE SCHEDULE FT-1 FIRM TRANSPORTATION SERVICE FOR ALL TERMS AND CONDITIONS OF SERVICE.
  - C/ 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.
  - D/ 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.
  - E/ 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."

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

Effective On: November 1, 2018

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	2.041%	(0.281)%	1.760%
L&U REIMBURSEMENT	(0.029)%	0.413%	0.384%

GATHERING - FIRM AND INTERRUPTIBLE

	<u>CURRENT PERCENTAGE</u>	<u>DEFERRAL PERCENTAGE</u>	<u>TOTAL PERCENTAGE</u>
FUEL USE REIMBURSEMENT	5.112%	(0.060)%	5.052%
L&U REIMBURSEMENT	0.056%	0.391%	0.447%

STORAGE - RATE SCHEDULES FS-1 AND IS-1

	<u>CURRENT PERCENTAGE</u>	<u>DEFERRAL PERCENTAGE</u>	<u>TOTAL PERCENTAGE</u>
FUEL USE REIMBURSEMENT	1.440%	(0.135)%	1.305%
L&U REIMBURSEMENT	(0.313)%	0.267%	(0.046)%

Issued On: August 31, 2018  
 Docket Number: RP18-1124-000  
 FERC Order Date: September 19, 2018

Effective On: October 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	0.789	(0.029)	0.760

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	0.392	(0.025)	0.367

STATEMENT OF RATES

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	\$0.0256
Minimum	\$0.0000
Daily Reservation Rate - Ventura, IA to North Hayden, IN	
Maximum	\$0.0275
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.

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)	\$207.20 /10 <sup>3</sup> m <sup>3</sup> / 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 <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	\$5.24 /GJ	
	FT-D Demand Rate for Group 2 Delivery Points	\$4.99 /GJ	
	FT-D Demand Rate for Group 3 Delivery Points	\$5.99 /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-3	LRS-3 Demand Rate per month	\$129.55 /10 <sup>3</sup> m <sup>3</sup> / month	
8. Rate Schedule IT-R	Refer to Attachment "1" for applicable IT-R Rate for each Receipt Point		
9. Rate Schedule IT-D <sup>1</sup>	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	\$121.30	/10 <sup>3</sup> m <sup>3</sup> / month
	2017939621	\$121.30	/10 <sup>3</sup> m <sup>3</sup> / month
	2017939620	\$121.30	/10 <sup>3</sup> m <sup>3</sup> / month
	2017939619	\$121.30	/10 <sup>3</sup> m <sup>3</sup> / month
	2017944787	\$121.30	/10 <sup>3</sup> m <sup>3</sup> / month
	2011475772	\$9,250.00	/ month
	2017849279	\$788.00	/ month
	2003004522	Applicable IT-R and IT-D Rate	
	2011476052 /	\$0.1641	/ 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>CO<sub>2</sub> Rate (\$/10<sup>3</sup>m<sup>3</sup>)</u>	
	1	543.57	
	2	430.09	
	3	279.27	
14. Monthly Abandonment Surcharge <sup>2</sup>	\$10.51 /10 <sup>3</sup> m <sup>3</sup> / month	\$0.28 /GJ/month	
15. Daily Abandonment Surcharge <sup>3</sup>	\$0.35 /10 <sup>3</sup> m <sup>3</sup> /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, LRS, 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	4.99	0.1805
31111	ALLIANCE CLAIRMONT INTERCONNECT APN	4.99	0.1805
31110	ALLIANCE EDSON INTERCONNECT APN	4.99	0.1805
31112	ALLIANCE SHELL CREEK INTERCONNECT APGC	4.99	0.1805
3002	BOUNDARY LAKE BORDER	4.99	0.1805
1958	EMPRESS BORDER	5.38	0.1945
3886	GORDONDALE BORDER	4.99	0.1805
6404	MCNEILL BORDER	5.38	0.1945

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 <sup>1</sup>
31000	A.T. PLASTICS SALES APN	4.99	0.1805	Yes
31001	ADM AGRI INDUSTRIES SALES APN	4.99	0.1805	Yes
3880	AECO INTERCONNECTION	4.99	0.1805	
31003	AGRIUM CARSELAND SALES APS	4.99	0.1805	
31002	AGRIUM FT. SASK SALES APN	4.99	0.1805	Yes
31004	AGRIUM REDWATER SALES APN	4.99	0.1805	
31005	AINSWORTH SALES APGP	4.99	0.1805	
31006	AIR LIQUIDE SALES APN	4.99	0.1805	
3214	AQUINU RIVER WEST SALES	4.99	0.1805	
31007	ALBERTA ENVIROFUELS SALES APN	4.99	0.1805	Yes <sup>2</sup>
31008	ALBERTA HOSPITAL SALES APN	4.99	0.1805	Yes
3868	ALBERTA-MONTANA BORDER	4.99	0.1805	
3297	ALDER FLATS SOUTH NO 2 SALES	4.99	0.1805	
3059	ALLISON CREEK SALES	4.99	0.1805	
31009	ALTASTEEL SALES APN	4.99	0.1805	Yes <sup>2</sup>
3562	AMOCO SALES (BP SALES TAP)	4.99	0.1805	
31012	APL JASPER SALES APN	4.99	0.1805	Yes
3488	ARDLEY SALES	4.99	0.1805	
3237	ASPEN SALES	4.99	0.1805	
3662	ATUSIS CREEK EAST SALES	4.99	0.1805	
3216	AURORA NO 2 SALES	4.99	0.1805	
3135	AURORA SALES	4.99	0.1805	
3288	BANTRY SALES	4.99	0.1805	
3423	BASHAW WEST SALES	4.99	0.1805	
31013	BAYMAG SALES APS	4.99	0.1805	
31014	BEAR CREEK COGEN SALES APGP	4.99	0.1805	
3299	BEAR RIVER WEST SALES	4.99	0.1805	
3068	BEAVER HILLS SALES	4.99	0.1805	
3268	BENBOW SOUTH SALES	4.99	0.1805	
3933	BIG EDDY INTERCONNECTION	4.99	0.1805	
3655	BIG PRAIRIE SALES	4.99	0.1805	
3067	BIGSTONE SALES	4.99	0.1805	
3285	BILBO SALES	4.99	0.1805	
3468	BLEAK LAKE SALES	4.99	0.1805	
3295	BOOTIS HILL SALES	4.99	0.1805	
3225	BOTHA SALES	4.99	0.1805	
3259	BOULDER CREEK SALES	4.99	0.1805	
3164	BRAINARD LAKE SALES	4.99	0.1805	
3289	BRAZEAU EAST SALES	4.99	0.1805	
3670	BRAZEAU SOUTH SALES	4.99	0.1805	

NATURAL GAS TARIFF



Canceling 47<sup>th</sup> Revised  
46<sup>th</sup> Revised

Sheet No. 80.1  
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>
<b>RATES: Net Monthly Bill:</b>			
Monthly Service Charge per Meter:			
Meters Rated @ Cu. Ft. per hour			
5,000 to 10,000	\$ 123.50		\$ 123.50
10,001 to 30,000	\$ 177.45		\$ 177.45
>30,000	\$ 393.75		\$ 393.75
<b>PLUS:</b>			
Transmission Reservation Rate (MDDQ):			
Maximum Monthly Reservation Rate for Maximum Daily Delivery Quantity (MDDQ)	\$ 1.0182596	\$ 0.3059828	\$ 0.7122768
Transmission Commodity Rate (Therm):			
Maximum	\$ 0.0077184	\$ 0.0023209	\$ 0.0053975
Minimum	\$ 0.0017935		\$ 0.0017935
GTAC Amortization	\$ 0.0015956		\$ 0.0015956
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:**

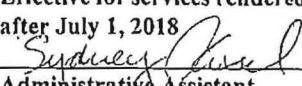
**OTHER APPLICABLE CHARGES:** All charges contained on other applicable rate schedules approved by the Public Service Commission of Montana.

**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.: D2017.7.58, Interim Order No. 7610  
Commission Approved: June 26, 2018  
Tariff Letter No.: 305-G  
Agenda No.: 18-6-26

Effective for services rendered on or  
after July 1, 2018  
  
Administrative Assistant



STATE OF SOUTH DAKOTA  
GAS RATE SCHEDULE

South Dakota Intrastate Pipeline Company  
1415 N. Airport Road  
Pierre, SD 57501

SD P.U.C. Section 3  
1<sup>st</sup> Revised Sheet No. 1  
Cancelling Original Sheet No. 1

FIRM TRANSPORTATION SERVICE Rate 1

Transportation rate is \$159,540.83 monthly for Firm Service effective September 1, 2018 through August 31, 2023.

R

The Transportation rate is \$149,663.42 monthly for Firm Service effective September 1, 2023, if South Dakota Intrastate Pipeline Company has not submitted a new application for rates, with an effective date prior to August 31, 2023.

N  
N  
N

Revenue credits shall be applicable as set forth in the Contract for Firm Transportation Service.

N

All general terms and conditions of Service shall be set forth in a Firm Transportation Service Agreement executed by the customer and South Dakota Intrastate Pipeline Company

N  
N

Date Filed: June 20, 2018

Effective Date: September 1, 2018

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

Docket No.: NG17-009



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	0.351%
	MLI	MLE	\$145.00	\$0.00	\$0.00	\$0.1040	\$0.0010	0.351%
	MLI	DSE	\$225.00	\$0.00	\$0.00	\$0.1703	\$0.0020	1.743%
Interruptible Transportation 4/	MLI	MLI	\$0.00	\$0.00	\$0.00	\$0.0844	\$0.0010	0.351%
	MLI	MLE	\$145.00	\$0.00	\$0.00	\$0.0844	\$0.0010	0.351%
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

STATEMENT OF RATES  
 (Rates Per Dekatherm)

Currently Effective Term-Differentiated Rates

Rate Schedule	Base Tariff Rate
<u>Category 1 (Contract Term of Less than 3 Years)</u>	
Monthly Reservation Rates	
FT-A	
Zone 1-1 Maximum Rate	\$4.7507
Zone 1-1 Minimum Rate	\$0.0000
Zone 1-2 Maximum Rate 1/	\$5.7394
Zone 1-2 Minimum Rate	\$0.0000
Zone 2-2 Maximum Rate	\$3.3143
Zone 2-2 Minimum Rate	\$0.0000
<u>Category 2 (Contract Term of 3 Years to less than 5 Years)</u>	
Monthly Reservation Rates	
FT-A	
Zone 1-1 Maximum Rate	\$4.5607
Zone 1-1 Minimum Rate	\$0.0000
Zone 1-2 Maximum Rate	\$5.5494
Zone 1-2 Minimum Rate	\$0.0000
Zone 2-2 Maximum Rate	\$3.1243
Zone 2-2 Minimum Rate	\$0.0000
<u>Category 3 (Contract Term of 5 or more Years)</u>	
Monthly Reservation Rates	
FT-A	
Zone 1-1 Maximum Rate	\$4.3706
Zone 1-1 Minimum Rate	\$0.0000
Zone 1-2 Maximum Rate	\$5.3593
Zone 1-2 Minimum Rate	\$0.0000
Zone 2-2 Maximum Rate	\$2.9343
Zone 2-2 Minimum Rate	\$0.0000

1/ Throughout Viking's Statement of Rates and Tariff, "Zone 1-2" shall mean Transportation Service for quantities received in Zone 1 and delivered in Zone 2 or received in Zone 2 and delivered in Zone 1 whether by transport, exchange, or Displacement.

Rate Schedule	Base Tariff Rate	Fuel and Loss Retention Percentages 2/
Commodity Rates 1/		
FT-A – Maximum Rates		
Zone 1-1	\$0.0116	0.00%
Zone 1-2	\$0.0116	0.00%
Zone 2-2	\$0.0116	0.00%
Minimum Rate	\$0.0116	
IT and AOT		
Zone 1-1	\$0.1678	0.00%
Zone 1-2	\$0.2003	0.00%
Zone 2-2	\$0.1206	0.00%
Minimum Rate	\$0.0116	

1/ Pursuant to Section 19 of the General Terms and Conditions, the maximum and minimum commodity rates shall be increased to include the Commission-authorized Annual Charge Adjustment unit rate as published on the Commission's Web Site located at <http://www.ferc.gov>.

2/ The Fuel and Loss Retention Percentages shall be applicable to all transportation rate schedules and includes the following Gas Lost and Unaccounted For Percentages: 0.00% for Zone 1-1, 0.00% for Zone 1-2, and 0.00% for Zone 2-2. Transportation entirely by Displacement will incur only the Gas Lost and Unaccounted For Percentages.

Rate Schedule	Base Tariff Rate	Adjustment Under Section 27 1/	Rate After Current Adjustment
LMS – Monthly Demand Rate	\$1.00		\$1.00
LMS – Daily Overrun Rate	\$0.2003		\$0.2003
LMS – Load Management Cost Reconciliation Adjustment		\$0.0473	

1/ Pursuant to Section 27 of the General Terms and Conditions of this Tariff, a mechanism is established to reconcile through surcharges or credits to the Rate Schedule LMS rate, as appropriate, differences between the cost to maintain Company's line pack gas and the amounts Company receives or pays for such gas arising out of the purchase and sale of such gas.

Rate Schedule	Maximum Rate Per Dekatherm	Minimum Rate Per Dekatherm
PAL		
NPL, OPL, and APL Service:		
Daily Commodity Rate	\$0.2003	\$0.0000
RPL Service:		
Daily Reservation Rate	\$0.2003	\$0.0000

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

<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	158,725	dk/Month \$9.21000	\$17,542,287
FT-1 Valley Exp.		dk/Month 18.90563	
FT-1 Black Hills Exp.		dk/Month 12.10920	
FTN-1 MDDQ		dk/Month 0.24274	
Northern Border et. al.		dk/Month 0.31530	
T-FTG-1 MDDQ		dk/Month 10.21939	
Black Hills Gas		dk/Month 7.32500	
SDIP		dk/Month 10.23485	
Viking		dk/Month 4.37060	
<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>27,986,064</u>
<b><u>Commodity Charges</u></b>			
<b><i>Transportation Charges</i></b>			
FT-1 Commodity		dk 0.02972	
FT-1 Black Hills Exp.		dk 0.00130	
Fuel - Transp. WBI		dk	
Electric Power WBI		dk 0.00760	
Fuel - Transp. NB		dk	
T-FTG-1 Commodity		dk 0.09314	
Fuel - Transp. NW		dk	
Black Hills Gas		dk 0.08000	
Viking		dk 0.01290	
<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 0.00367	
<b><i>Gas Commodity Charges</i></b>			
Gas Commodity - System	15,808,337	dk	2/
<b><i>Total Commodity Charges</i></b>			<u>33,331,953</u>
<b><u>Return on Rate Base</u></b>			
Demand Charges 3/			93,300
Prepaid Commodity Balances 3/			20,921
Cycle Storage Balances 3/			279,476
<b><i>Total Return</i></b>			<u>393,697</u>
<b><i>Total Gas Costs</i></b>			\$61,711,714
<b><i>Residential and General Service dk Requirements 4/</i></b>			15,808,337
Average Cost of Gas per dk			\$3.904
Average Cost of Gas as Adjusted for Losses @ 99.55%			3.922
Less: Gas Cost Level in Rates 5/			3.699
<b><i>Current Gas Cost Adjustment</i></b>			<u><u>\$0.223</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 November 2018.

3/ Exhibit C.

4/ Normalized dk sales for the twelve months ended June 30, 2018, adjusted for losses at .45%.

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

Cost of Purchased Gas	\$3.682
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$3.699

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

<u>Interruptible Billing Determinants 1/</u>	<u>Rate 2/</u>	<u>Amount</u>
<b><u>Demand Charges</u></b>		
<b><u>Transportation</u></b>		
FT-1 MDDQ	14,322 dk/Month	\$9.21000
FT-1 Valley Exp.	dk/Month	18.90563
FT-1 Black Hills Exp.	dk/Month	12.10920
FTN-1 MDDQ	dk/Month	0.24274
Northern Border et. al.	dk/Month	0.31530
T-FTG-1 MDDQ	dk/Month	10.21939
Black Hills Gas	dk/Month	7.32500
SDIP	dk/Month	10.23485
Viking	dk/Month	4.37060
<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>		2,579,226
<b><u>Commodity Charges</u></b>		
<b><u>Transportation Charges</u></b>		
FT-1 Commodity	dk	0.02972
FT-1 Black Hills Exp.	dk	0.00130
Fuel - Transp. WBI	dk	
Electric Power WBI	dk	0.00760
Fuel - Transp. NB	dk	
T-FTG-1 Commodity	dk	0.09314
Fuel - Transp. NW	dk	
Black Hills Gas	dk	0.08000
Viking	dk	0.01290
<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	0.00367
<b><u>Gas Commodity Charges</u></b>		
Gas Commodity	5,999,328 dk	3/
<b>Total Commodity Charges</b>		12,610,549
<b><u>Return on Rate Base</u></b>		
Demand Charges 4/		9,662
Transportation Balances 4/		2,166
Cycle Storage Balances 4/		28,941
<b>Total Return</b>		40,769
<b>Total Gas Costs</b>		\$15,230,544
<b>Interruptible Service dk Requirements</b>		5,999,328
Average Cost of Gas per dk		\$2.539
Average Cost of Gas as Adjusted for Losses @ 99.55%		2.550
Less: Gas Cost Level in Rates 5/		2.649
<b>Current Gas Cost Adjustment</b>		( <b>\$0.099</b> )

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 November 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 October 1, 2018:

Cost of Purchased Gas	\$2.637
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$2.649

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

<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	1,093 dk/Month	\$9.21000
FT-1 Valley Exp.	dk/Month	18.90563
FT-1 Black Hills Exp.	dk/Month	12.10920
FTN-1 MDDQ	dk/Month	0.24274
Northern Border et. al.	dk/Month	0.31530
T-FTG-1 MDDQ	dk/Month	10.21939
Black Hills Gas	dk/Month	7.32500
SDIP	dk/Month	10.23485
Viking	dk/Month	4.37060
<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>		196,705
<b><u>Commodity Charges</u></b>		
<b><u>Transportation Charges</u></b>		
FT-1 Commodity	dk	0.02972
FT-1 Black Hills Exp.	dk	0.00130
Fuel - Trans. WBI	dk	
Electric Power WBI	dk	0.00760
Fuel - Trans. NB	dk	
T-FTG-1 Commodity	dk	0.09314
Fuel - Transp. NW	dk	
Black Hills Gas	dk	0.08000
Viking	dk	0.01290
<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	0.00367
<b><u>Gas Commodity Charges</u></b>		
Gas Commodity	457,577 dk	
<b>Total Commodity Charges</b>		961,819
<b><u>Return on Rate Base</u></b>		
Demand Charges 3/		737
Transportation Balances 3/		165
Cycle Storage Balances 3/		2,208
<b>Total Return</b>		3,110
<b>Total Gas Costs</b>		\$1,161,634
100% Load Factor dk Requirements		457,577
Average Cost of Gas per dk		\$2.539
Less: Gas Cost Level in Rates 4/		2.637
<b>Current Gas Cost Adjustment</b>		<b>(\$0.098)</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 November 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 October 1, 2018:  
Cost of Purchased Gas \$2.637

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

	General Service		
	Storage Balance 1/	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	(1,859,726)	63,939	(1,906,956)
March	(3,143,872)	24,265	(2,843,834)
April	(3,156,033)	23,886	(2,621,928)
May	(1,161,030)	92,366	(1,517,811)
June	882,310	162,837	(45,098)
July	3,513,790	261,059	1,414,552
August	5,970,207	360,024	2,848,770
September	7,986,009	442,022	4,509,650
October	8,338,263	463,634	4,804,092
13 month average	<u>\$3,181,650</u>	<u>\$238,176</u>	<u>\$1,062,160</u>
Rate of Return	7.236%	7.236%	7.236%
Return	\$230,224	\$17,234	\$76,858
Return Requirement 3/	<u>\$279,476</u>	<u>\$20,921</u>	<u>\$93,300</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.  
COST OF GAS - PROPANE  
NORTH DAKOTA  
EFFECTIVE NOVEMBER 2018

Cost of Purchased Propane	\$41,311
Gallons Purchased	45,901
Projected dk Sales	4,200
Propane Cost per Dk	\$9.836
Average Cost of Propane as Adjusted for Losses @ 99.55%	9.880
Less: Propane Cost Level in Rates 1/	<u>6.477</u>
Current Propane Cost Adjustment	<u><u>\$3.403</u></u>

1/ Propane Cost Level in Current Rates - Case No. PU-18-008, effective October 1, 2018.

**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, 2018</b>									<b><u><u>(\$3,442,975)</u></u></b>
August	(\$391,755)	\$0	(\$5,804)	(\$397,559)	307,795	\$0.025	\$7,695	(\$405,254)	(3,848,229)
<b>Balance @ August 31, 2018</b>									<b><u><u>(\$3,848,229)</u></u></b>

1/ Interest calculated at Three Month Treasury Bill rate.

**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, 2018</b>									<b><u><u>(\$17,036)</u></u></b>
August	(\$2,256)	\$0	(\$29)	(\$2,285)	21,725	\$0.005	\$110	(\$2,395)	(19,431)
<b>Balance @ August 31, 2018</b>									<b><u><u>(\$19,431)</u></u></b>

1/ Interest calculated at Three Month Treasury Bill rate.

**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, 2018</b>									<b><u>(\$14,070)</u></b>
August	(\$21,693)	\$0	(\$24)	(\$21,717)	3,948	(\$0.020)	(\$79)	(\$21,638)	(35,708)
<b>Balance @ August 31, 2018</b>									<b><u>(\$35,708)</u></b>

1/ Interest calculated at Three Month Treasury Bill rate.