

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

March 8, 2021

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-21-008

In accordance with North Dakota Century Code Section 49-05-05, Montana-Dakota Utilities Co. (Montana-Dakota) electronically submits a Cost of Gas (COG) change pursuant to the terms of Rate 99. Montana-Dakota will not seek a COG – Natural Gas adjustment change for the month of April 2021 for Rate 88. In response to the COVID-19 pandemic, Montana-Dakota has provided an electronic copy only to further reduce the potential spread of the virus.

The COG Adjustment tariff (Rate 88), Section 2(b) provides that "Montana-Dakota shall file to reflect changes in its average cost of gas supply only when the amount of change in such COG is at least 25 (twenty-five) cents per dk." For Rate 88 – Natural Gas, the COG adjustment for the month of April 2021 results in a change of less than 25 cents per dk, and therefore, in accordance with the authorized tariff, Montana-Dakota will not seek a COG adjustment change for the month of April.

The Rate Summary Sheet (192nd Revised Sheet No. 3) showing the proposed propane rates effective April 1, 2021 is provided as Exhibit 1.

Montana-Dakota purchases propane supplies from various wholesale suppliers for the propane service provided in Hettinger, North Dakota. The cost of propane has decreased since the cost established in the March 2021 PGA filing.

The following Exhibits are provided in support of the propane rates to be effective April 1, 2021:

- Exhibit 2, page 1 summarizes the COG – propane calculated pursuant to the terms of Rate 99, which will apply during the month of April 2021. The net effect of this filing is a decrease of \$0.541 per dk for all customers from the currently effective rates as a result of a change in cost of propane from that established in the March 2021 PGA filing.
- Exhibit 2, page 2 shows the calculation of the current COG – propane that will be applicable to Montana-Dakota's customers for the month of April 2021. The average cost of propane for all customers, adjusted for losses, is \$8.783 per dk.

- Exhibit 2, page 3 shows the computation of the (over)/under recovered gas cost account balance.

This proposed adjustment, calculated in accordance with Rate 99, will amount to a decrease of approximately \$2,380 for propane customers during the month of April 2021. All of Montana-Dakota's retail propane customers in North Dakota may be affected by this proposal. There were 336 propane customers in North Dakota as of February 28, 2021.

Please refer all inquiries regarding this filing to:

Mr. Travis R. Jacobson
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:

Ms. Allison Mann
Attorney
MDU Resources Group, Inc.
P. O. Box 5650
Bismarck, ND 58506-5650

Montana-Dakota submitted a check on March 3, 2021 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 this electronic filing, in lieu of an original and two (2) physical copies, be accepted as being in full compliance with the filing requirements of this Commission.

If you have any questions regarding this filing, please contact me at (701) 222-7855 or travis.jacobson@mdu.com.

Sincerely,

/s/ Travis R. Jacobson

Travis R. Jacobson
Director of Regulatory Affairs

Attachment
cc: A. Mann

**RATE SUMMARY SHEET
(PROPOSED)**



Montana-Dakota Utilities Co.

A Subsidiary of MDU Resources Group, Inc.

400 N 4th Street

Bismarck, ND 58501

State of North Dakota Gas Rate Schedule

NDPSC Volume 7

192nd Revised Sheet No. 3

Canceling 191st 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	\$0.6860 per day	\$0.000	\$4.054	\$4.054
Air Force Rate 64 1/ Minot Air Force Base PAR Site	7	\$2,000.00 per month \$175.00 per month			
Firm Service			\$0.329	\$4.054	\$4.383
Interruptible Service - PAR			\$0.177	\$2.772	\$2.949
Interruptible Service - MAFB			\$0.177	\$2.760	\$2.937
Firm General Service Rate 70 1/ Meters rated < 500 cubic feet Meters rated > 500 cubic feet	13	\$0.70 per day \$2.05 per day	\$0.811	\$4.054	\$4.865
Small Interruptible Gas Rate 71 1/	14	\$190.00 per month	(Maximum) \$1.063	\$2.772	(Maximum) \$3.835
Optional Seasonal Gas Service Rate 72 1/ Meters rated < 500 cubic feet Meters rated > 500 cubic feet	15	\$0.70 per day \$2.05 per day	\$0.811	\$4.179	\$4.990
Contracted Demand Service Rate 74 1/ Meters rated < 500 cubic feet Meters rated > 500 cubic feet	16	\$0.70 per day \$2.05 per day	(Demand Charge) \$6.510	(Capacity Charge) (COG/Dk)	\$10.630 \$2.602
Transportation Service Small Interruptible Rate 81 1/ Maximum Minimum	24	\$190.00 per month	\$0.668 \$0.102		\$0.668 \$0.102
Large Interruptible Rate 82 1/ Maximum Minimum		\$1,500.00 per month	\$0.231 \$0.061		\$0.231 \$0.061
Large Interruptible Gas Rate 85 1/	27	\$1,500.00 per month	(Maximum) \$0.718	\$2.772	(Maximum) \$3.490
Residential Propane Rate 90 1/	32	\$0.6860 per day	\$0.000	\$7.668	\$7.668
Firm General Propane Rate 92 1/ Meters rated < 500 cubic feet Meters rated > 500 cubic feet	34	\$0.70 per day \$2.05 per day	\$0.811	\$7.668	\$8.479

1/ Interim increase of 17.116% applicable to amounts billed under Basic Service Charge and Distribution Delivery Charge.

Date Filed: March 8, 2021

Effective Date: Service rendered on and after April 1, 2021

Issued By: Travis R. Jacobson
Director - Regulatory Affairs

Case No.: PU-21-008

MONTANA-DAKOTA UTILITIES CO.
COST OF GAS - PROPANE
NORTH DAKOTA
EFFECTIVE APRIL 2021

Cost of Purchased Propane	\$38,469
Gallons Purchased	48,086
Projected dk Sales	4,400
Propane Cost per Dk	\$8.743
Average Cost of Propane as Adjusted for Losses @ 99.55%	8.783
Less: Propane Cost Level in Rates 1/	<u>9.324</u>
Current Propane Cost Adjustment	<u><u>(\$0.541)</u></u>

1/ Propane Cost Level in Current Rates - Case No. PU-21-008, effective March 1, 2021.

MONTANA-DAKOTA UTILITIES CO.
COST OF GAS - PROPANE TARIFF SHEET
NORTH DAKOTA PROPANE
EFFECTIVE APRIL 2021

Cost of Gas - Propane

Current Propane Cost (Exhibit 2, Page 1)	\$8.783
Prior Filed Propane Cost	<u>9.324</u>
Current Propane Cost Adjustment	<u><u>(\$0.541)</u></u>

Surcharge Adjustment

Current Adjustment	(\$1.084)
Prior Filed Adjustment	<u>(1.084)</u>
Change in Surcharge Adjustment	\$0.000

Grain Drying Margin Sharing

Current Adjustment	(\$0.031)
Prior Adjustment	<u>(0.031)</u>
Change in Grain Drying Margin Sharing	\$0.000

Total Cost of Gas Items \$7.668

Net Increase (Decrease) in Gas Costs (\$0.541)

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

	(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 @ February 29, 2020									(\$49,936)
March 2020	(\$10,029)	\$0	(\$44)	(\$10,073)	5,863	(\$0.510)	(\$2,990)	(\$7,083)	(57,019)
April	428	0	(7)	421	4,341	(0.510)	(2,215)	2,636	(54,383)
May	2,530	0	(6)	2,524	2,095	(1.084)	(1,926) 2/	4,450	(49,933)
June	(3,198)	0	(7)	(3,205)	1,156	(1.084)	(1,254)	(1,951)	(51,884)
July	56	0	(6)	50	841	(1.084)	(912)	962	(50,922)
August	(10,051)	0	(4)	(10,055)	763	(1.084)	(826)	(9,229)	(60,151)
September	5,452	0	(5)	5,447	1,126	(1.084)	(1,219)	6,666	(53,485)
October	407	0	(4)	403	2,302	(1.084)	(2,495)	2,898	(50,587)
November	(8,899)	0	(4)	(8,903)	4,330	(1.084)	(4,695)	(4,208)	(54,795)
December	599	0	(4)	595	5,598	(1.084)	(6,067)	6,662	(48,133)
January 2021	12,161	0	(3)	12,158	6,128	(1.084)	(6,643)	18,801	(29,332)
Balance @ January 31, 2021									(\$29,332)

1/ Interest calculated at Three Month Treasury Bill rate.

2/ Reflects 600.4 Dk @ (\$0.510) and 1,494.1 Dk @ (\$1.084).