



UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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

April 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 May 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 May 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 May.

The Rate Summary Sheet (193rd Revised Sheet No. 3) showing the proposed propane rates effective May 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 April 2021 PGA filing.

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

- Exhibit 2 summarizes the COG – propane calculated pursuant to the terms of Rate 99, which will apply during the month of May 2021. The net effect of this filing is an increase of \$0.739 per dk for all customers from the currently effective rates as a result of the annual change in the surcharge and a change in cost of propane from that established in the April 2021 PGA filing. The average cost of propane for all customers, adjusted for losses, is \$8.234 per dk.

- Exhibit 3 shows the calculation of the surcharge adjustment applicable to the cost of gas – propane which will apply during the period May 1, 2021 through April 30, 2022. The surcharge is \$0.204 per dk, an increase of \$1.288 per dk for all customers.

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

193rd Revised Sheet No. 3

Canceling 192nd 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 Large Interruptible Rate 82 1/ Maximum Minimum	24	\$190.00 per month	\$0.668 \$0.102		\$0.668 \$0.102
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	\$8.407	\$8.407
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	\$8.407	\$9.218

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

Date Filed: April 8, 2021

Effective Date: Service rendered on and after May 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 MAY 2021**

Cost of Purchased Propane	\$22,131
Gallons Purchased	29,508
Projected dk Sales	2,700
Propane Cost per Dk	\$8.197
Average Cost of Propane as Adjusted for Losses @ 99.55%	8.234
Less: Propane Cost Level in Rates 1/	<u>8.783</u>
Current Propane Cost Adjustment	<u><u>(\$0.549)</u></u>

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

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

Cost of Gas - Propane

Current Propane Cost (Exhibit 2, Page 1)	\$8.234
Prior Filed Propane Cost	<u>8.783</u>
Current Propane Cost Adjustment	<u>(\$0.549)</u>

Surcharge Adjustment

Current Adjustment (Exhibit 3, Page 1)	\$0.204
Prior Filed Adjustment	<u>(1.084)</u>
Change in Surcharge Adjustment	\$1.288

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 \$8.407

Net Increase (Decrease) in Gas Costs \$0.739

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED GAS COST ADJUSTMENT
APPLICABLE TO NORTH DAKOTA
PROPANE
TO BE EFFECTIVE MAY 1, 2021 THROUGH APRIL 30, 2022**

(Over)/under recovered gas costs @ February 28, 2021 (\$2,365)

Less: Projected recovery from rates already established

	Volume	Rate	Amount
March	5,800	(\$1.084)	(6,287)
April	4,400	(\$1.084)	(4,770)
	10,200		(11,057)

Additional recovery required \$8,692

Projected sales volumes (dk)

May 2021		2,700	
June		1,100	
July		700	
August		700	
September		700	
October		1,900	
November		4,300	
December		5,700	
January 2022		7,500	
February		7,100	
March		5,800	
April		4,400	
Total			42,600

Total (over)/under recovered gas cost adjustment
to be effective May 1, 2021 through April 30, 2022. \$0.204

**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/ 2	Total Net Additions	Actual Dk Sales	Adjustment Per Dk	Total Adjustment Amount	Net Change- Additions less Adjustment	Cumulative Balance
Balance @ February 29, 2020									<u>(\$49,936)</u>
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)
February	17,924	0	(1)	17,923	8,343	(1.084)	(9,044)	26,967	(2,365)
	<u>\$7,380</u>	<u>\$0</u>	<u>(\$95)</u>	<u>\$7,285</u>	<u>42,886</u>		<u>(\$40,286)</u>	<u>\$47,571</u>	
Balance @ February 28, 2021									<u>(\$2,365)</u>

1/ Interest calculated at Three Month Treasury Bill rate.
2/ Reflects 600.4 Dk @ (\$0.510) and 1,494.1 Dk @ (\$1.084).

MONTANA-DAKOTA UTILITIES CO.
CALCULATION OF (OVER) UNDER RECOVERY OF GAS COSTS
APPLICABLE TO NORTH DAKOTA
PROPANE

	<u>1/</u>	<u>2/</u>	<u>3/</u>	<u>Total</u>
<u>March 2020</u>				
Cost of Gas - Actual	\$5.67574	\$7.62224	\$5.67574	
Cost of Gas - Recovered	7.68500	8.78300	8.78300	
(Over) Under recovery per dk	<u>(\$2.00926)</u>	<u>(\$1.16076)</u>	<u>(\$3.10726)</u>	
dk billed	4,206	1,835	(178)	5,863
(Over) Under recovery	<u>(\$8,452)</u>	<u>(\$2,130)</u>	<u>\$553</u>	<u>(\$10,029)</u>
<u>April 2020</u>				
Cost of Gas - Actual	\$7.76845	\$5.67574	\$7.76845	
Cost of Gas - Recovered	7.13600	7.68500	7.68500	
(Over) Under recovery per dk	<u>\$0.63245</u>	<u>(\$2.00926)</u>	<u>\$0.08345</u>	
dk billed	3,174	802	365	4,341
(Over) Under recovery	<u>\$2,010</u>	<u>(\$1,612)</u>	<u>\$30</u>	<u>\$428</u>
<u>May 2020</u>				
Cost of Gas - Actual	\$5.78204	\$7.76845	\$5.78204	
Cost of Gas - Recovered	3.95200	7.13600	7.13600	
(Over) Under recovery per dk	<u>\$1.83004</u>	<u>\$0.63245</u>	<u>(\$1.35396)</u>	
dk billed	1,495	307	293	2,095
(Over) Under recovery	<u>\$2,733</u>	<u>\$194</u>	<u>(\$397)</u>	<u>\$2,530</u>
<u>June 2020</u>				
Cost of Gas - Actual	\$0.70074	\$5.78204	\$0.70074	
Cost of Gas - Recovered	3.95200	3.95200	3.95200	
(Over) Under recovery per dk	<u>(\$3.25126)</u>	<u>\$1.83004</u>	<u>(\$3.25126)</u>	
dk billed	1,156	110	(110)	1,156
(Over) Under recovery	<u>(\$3,758)</u>	<u>\$201</u>	<u>\$359</u>	<u>(\$3,198)</u>
<u>July 2020</u>				
Cost of Gas - Actual	\$3.66328	\$0.70074	\$3.66328	
Cost of Gas - Recovered	3.95200	3.95200	3.95200	
(Over) Under recovery per dk	<u>(\$0.28872)</u>	<u>(\$3.25126)</u>	<u>(\$0.28872)</u>	
dk billed	0	(101)	942	841
(Over) Under recovery	<u>\$0</u>	<u>\$328</u>	<u>(\$272)</u>	<u>\$56</u>
<u>August 2020</u>				
Cost of Gas - Actual	(\$8.88411)	\$3.66328	(\$8.88411)	
Cost of Gas - Recovered	5.26900	3.95200	3.95200	
(Over) Under recovery per dk	<u>(\$14.15311)</u>	<u>(\$0.28872)</u>	<u>(\$12.83611)</u>	
dk billed	553	37	173	763
(Over) Under recovery	<u>(\$7,824)</u>	<u>(\$11)</u>	<u>(\$2,216)</u>	<u>(\$10,051)</u>

MONTANA-DAKOTA UTILITIES CO.
CALCULATION OF (OVER) UNDER RECOVERY OF GAS COSTS
APPLICABLE TO NORTH DAKOTA
PROPANE

	1/	2/	3/	Total
<u>September 2020</u>				
Cost of Gas - Actual	\$13.92576	(\$8.88411)	\$13.92576	
Cost of Gas - Recovered	4.55700	5.26900	5.26900	
(Over) Under recovery per dk	<u>\$9.36876</u>	<u>(\$14.15311)</u>	<u>\$8.65676</u>	
dk billed	773	212	141	1,126
(Over) Under recovery	<u>\$7,239</u>	<u>(\$3,005)</u>	<u>\$1,218</u>	<u>\$5,452</u>
<u>October 2020</u>				
Cost of Gas - Actual	\$6.09162	\$13.92576	\$6.09162	
Cost of Gas - Recovered	7.46700	4.55700	4.55700	
(Over) Under recovery per dk	<u>(\$1.37538)</u>	<u>\$9.36876</u>	<u>\$1.53462</u>	
dk billed	1,686	228	388	2,302
(Over) Under recovery	<u>(\$2,319)</u>	<u>\$2,130</u>	<u>\$596</u>	<u>\$407</u>
<u>November 2020</u>				
Cost of Gas - Actual	\$5.53853	\$6.09162	\$5.53853	
Cost of Gas - Recovered	7.98100	7.46700	7.46700	
(Over) Under recovery per dk	<u>(\$2.44247)</u>	<u>(\$1.37538)</u>	<u>(\$1.92847)</u>	
dk billed	2,938	1,742	(350)	4,330
(Over) Under recovery	<u>(\$7,179)</u>	<u>(\$2,396)</u>	<u>\$676</u>	<u>(\$8,899)</u>
<u>December 2020</u>				
Cost of Gas - Actual	\$9.26643	\$5.53853	\$9.26643	
Cost of Gas - Recovered	7.98100	7.98100	7.98100	
(Over) Under recovery per dk	<u>\$1.28543</u>	<u>(\$2.44247)</u>	<u>\$1.28543</u>	
dk billed	0	1,770	3,828	5,598
(Over) Under recovery	<u>\$0</u>	<u>(\$4,322)</u>	<u>\$4,921</u>	<u>\$599</u>
<u>January 2021</u>				
Cost of Gas - Actual	\$10.46655	\$9.26643	\$10.46655	
Cost of Gas - Recovered	7.98100	7.98100	7.98100	
(Over) Under recovery per dk	<u>\$2.48555</u>	<u>\$1.28543</u>	<u>\$2.48555</u>	
dk billed	0	2,556	3,572	6,128
(Over) Under recovery	<u>\$0</u>	<u>\$3,285</u>	<u>\$8,876</u>	<u>\$12,161</u>
<u>February 2021</u>				
Cost of Gas - Actual	\$10.00270	\$10.46655	\$10.00270	
Cost of Gas - Recovered	7.98100	7.98100	7.98100	
(Over) Under recovery per dk	<u>\$2.02170</u>	<u>\$2.48555</u>	<u>\$2.02170</u>	
dk billed	0	2,282	6,061	8,343
(Over) Under recovery	<u>\$0</u>	<u>\$5,671</u>	<u>\$12,253</u>	<u>\$17,924</u>

1/ Consumed in current month.
2/ Consumed in prior month.
3/ True-up of prior month volumes.