



UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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

June 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 July 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 July 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 July.

The Rate Summary Sheet (1st Revised Sheet No. 3) showing the proposed propane rates effective July 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 increased since the cost established in the June 2021 PGA filing.

The following Exhibits are provided in support of the propane rates to be effective July 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 July 2021. The net effect of this filing is an increase of \$4.665 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 June 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 July 2021. The average cost of propane for all customers, adjusted for losses, is \$12.350 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 an increase of approximately \$3,266 for propane customers during the month of July 2021. All of Montana-Dakota's retail propane customers in North Dakota may be affected by this proposal. There were 333 propane customers in North Dakota as of May 31, 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.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Gas Rate Schedule

NDPSC Volume 8

1st Revised Sheet No. 3

Canceling Substitute Original Sheet No. 3

RATE SUMMARY SHEET

Page 1 of 2

Rate Schedule	Sheet No.	Basic Service Charge	Distribution Delivery Charge	Rates 88 & 99 Cost of Gas	Total Rate/ Dk
Residential Rate 60	4	\$0.8244 per day	\$0.000	\$6.548	\$6.548
Air Force Rate 64	7				
Minot Air Force Base		\$2,000.00 per month			
PAR Site		\$175.00 per month			
Firm Service			\$0.449	\$6.548	\$6.997
Interruptible Service - PAR			\$0.255	\$3.655	\$3.910
Interruptible Service - MAFB			\$0.255	\$3.865	\$4.120
Firm General Service Rate 70	13				
Meters rated < 500 cubic feet		\$0.75 per day	\$1.174	\$6.548	\$7.722
Meters rated > 500 cubic feet		\$2.13 per day	\$0.917	\$6.548	\$7.465
Small Interruptible Gas Rate 71	14	\$450.00 per month	(Maximum) \$0.566	\$3.655	(Maximum) \$4.221
Optional Seasonal Gas Service Rate 72	15				
Meters rated < 500 cubic feet		\$0.75 per day	\$1.174	\$5.057	\$6.231
Meters rated > 500 cubic feet		\$2.13 per day	\$0.917	\$5.057	\$5.974
Contracted Demand Service Rate 74	16		(Demand Charge)	(Capacity Charge)	\$10.740
Meters rated < 500 cubic feet		\$0.75 per day	\$8.000	(COG/Dk)	\$3.560
Meters rated > 500 cubic feet		\$2.13 per day			
Transportation Service	24				
Small Interruptible Rate 81		\$450.00 per month			
Maximum			\$0.566		\$0.566
Minimum			\$0.102		\$0.102
Large Interruptible Rate 82		\$1,600.00 per month			
Maximum			\$0.237		\$0.237
Minimum			\$0.061		\$0.061
Large Interruptible Gas Rate 85	27	\$1,600.00 per month	(Maximum) \$0.237	\$3.655	(Maximum) \$3.892
Residential Propane Rate 90	32	\$0.8244 per day	\$0.000	\$12.523	\$12.523
Firm General Propane Rate 92	34				
Meters rated < 500 cubic feet		\$0.75 per day	\$1.174	\$12.523	\$13.697
Meters rated > 500 cubic feet		\$2.13 per day	\$0.917	\$12.523	\$13.440

Date Filed: June 8, 2021

Effective Date: Service rendered on and after July 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 JULY 2021

Cost of Purchased Propane	\$8,606
Gallons Purchased	7,650
Projected dk Sales	700
Propane Cost per Dk	\$12.294
Average Cost of Propane as Adjusted for Losses @ 99.55%	12.350
Less: Propane Cost Level in Rates 1/	<u>7.685</u>
Current Propane Cost Adjustment	<u><u>\$4.665</u></u>

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

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

Cost of Gas - Propane

Current Propane Cost (Exhibit 2, Page 1)	\$12.350
Prior Filed Propane Cost	<u>7.685</u>
Current Propane Cost Adjustment	<u><u>\$4.665</u></u>

Surcharge Adjustment

Current Adjustment	\$0.204
Prior Filed Adjustment	<u>0.204</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 \$12.523

Net Increase (Decrease) in Gas Costs \$4.665

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

	<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 @ February 28, 2021									<u><u>(\$2,365)</u></u>
March 2021	\$2,873	\$0	\$0	\$2,873	5,036	(\$1.084)	(\$5,460)	\$8,333	5,968
April	(6,129)	0	0	(6,129)	3,861	(1.084)	(4,185)	(1,944)	4,024
Balance @ April 30, 2021									<u><u>\$4,024</u></u>

1/ Interest calculated at Three Month Treasury Bill rate.