



GREAT PLAINS
NATURAL GAS CO.

A Division of Montana-Dakota Utilities Co.

In the Community to Serve®

North Dakota

July 8, 2021

Case No. PU-21-010

Cost of Gas 2021

Monthly Purchase Gas Cost Adjustment

Timeline

Jan 29, 2021

- Monthly PGA Filing

Feb 12-18, 2021

- Extreme Cold Weather Event

Feb 26, 2021

- GPNG Requested Elimination of Current Surcharge eff. 3/1/21

Mar 1, 2021

- Surcharge Adjusted to \$0.00

May 21, 2021

- Submitted proposal for alternative recovery method

Current Process

- Last day of the Month – PGA is filed with the forecasted monthly cost of gas
- End of Month – Over/Under Collected Balance is Calculated
- June 1 – Annual Surcharge Adjustment is implemented to recover or refund Collected Balance over the next 12 months

Proposal

Under-recovered Balance on April 30, 2021

- Firm: \$593,350
- Interruptible: \$1,569,371

	Surcharge Adj (w/o tariff waiver) June 1, 2021 - May 31, 2022	Proposal (July 1, 2021 - May 31, 2023)	Updated Proposal (Aug 1, 2021 - May 31, 2023)
Firm	\$2.0460 1/	\$1.0283	\$1.0371
Interruptible	\$2.1222 1/	\$1.0983	\$1.1354

Necessary Residential (Firm) Net Recovery is \$164

1/ Per May 28, 2021 Cost Of Gas filing

Effect on Customers

Average Residential Bills Incorporating February Gas Cost Recovery

	Year 1			Year 2			Year 3		
	Current Bill	Recovery	Total Bill	Current Bill	Recovery	Total Bill	Current Bill	Recovery	Total Bill
January				\$86.69	\$15.56	\$102.25	\$86.69	\$15.56	\$102.25
February				91.20	16.59	107.79	91.20	16.59	107.79
March				70.90	12.45	83.35	70.90	12.45	83.35
April				49.60	8.30	57.90	49.60	8.30	57.90
May				28.80	4.15	32.95	28.80	4.15	32.95
June				12.76	1.04	13.80			
July				13.01	1.04	14.05			
August	13.01	1.04	14.05	13.01	1.04	14.05			
September	12.76	1.04	13.80	12.76	1.04	13.80			
October	18.28	2.07	20.35	18.28	2.07	20.35			
November	49.60	8.30	57.90	49.60	8.30	57.90			
December	65.64	11.41	77.05	65.64	11.41	77.05			
Total	\$159.29	\$23.86	\$183.15	\$512.25	\$82.99	\$595.24	\$327.19	\$57.05	\$384.24

Avg = \$7.45/mo

Why the Difference in Proposals between MDU and GPNG?



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2 Customer Classes (less diversity)

- Firm
- Interruptible

Some Customers have significant summer volume

Seasonal Rates may impact GPNG customers disproportionately



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5 Customer Classes

- Residential & Gen Service
- Optional Seasonal
- Contracted Demand
- Sm & Lg Interrupt.
- Air Force Interrupt.

Residential & Gen Service Customers have reasonably similar use patterns

Seasonal Rates for MDU customers are only residential



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