

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Great Plains Natural Gas Co.
Cost of Gas 2021
Tariff Monthly Adjustments**

Case No. PU-21-10

ORDER

July 28, 2021

Preliminary Statement

On May 21, 2021, Great Plains Natural Gas Co. (GP) filed an application for a variance to its cost of gas true-up pursuant to the terms of North Dakota Administrative Code section 69-09-02-39, Automatic Adjustment Clauses. The variance would allow GP to extend the time, from 12 months to 23 months, for recovery of an under-collected balance of the cost of gas adjustment.

On May 27, 2021, the Commission issued a Notice of Opportunity for Hearing, which provided until June 18, 2021, for receiving written comments and hearing requests. No requests for hearing were received, however two public input comments were received.

The Notice identified the issues to be considered in this matter are:

1. Whether it is appropriate to grant a waiver of the Commission's rules under North Dakota Administrative Code section 69-09-02-39, Automatic Adjustment Clauses, for the stated purpose.
2. Whether the proposed rate change is just and reasonable.

On June 4, 2021, GP filed supplemental information for its request, explaining the differences between its GP system and its Montana-Dakota Utilities Co. gas systems.

On July 8, 2021, the Commission discussed the matter with GP and Commission Staff (Staff) during an Informal Hearing.

On July 13, 2021, GP filed a modification to its variance request based on the Commissions July 8, 2021 Informal Hearing.

Discussion

Section 4 of GP's Cost of Gas Rider references the cost of gas true-up factors to be recalculated and implemented annually in June of each year; however, GP states the magnitude of an increase in natural gas supply prices due to the weather event in

February 2021 necessitates an out-of-period adjustment to mitigate rate impacts to customers. In the absence of an adjustment, the cost of gas for residential customers would increase by approximately \$2.0460 per dekatherm. This rate would be effective for June 1, 2021 through May 31, 2022.

GP requests the commission waive the relevant provisions of North Dakota Administrative Code section 69-09-02-39 and grant approval of the following cost of gas increases to be effective from August 1, 2021 through September 30, 2022:

Customer Class	August 1, 2021 - September 30, 2022
Firm	\$1.9667/dekatherm
Interruptible	\$1.9344/dekatherm

Having considered this matter the Commission finds that a variance is necessary to mitigate the rate impact to North Dakota customers. Therefore, the Commission issues its:

Order

The Commission Orders:

1. Great Plains Natural Gas Co.'s proposed rate change is just and reasonable.
2. Great Plains Natural Gas Co.'s requested variance from the provisions of North Dakota Administrative Code section 69-09-02-39 as detailed in its July 13, 2021 filing is granted.
3. Great Plains Natural Gas Co. shall submit within 60 days, a request for modification to its Cost of Gas – Natural Gas Rate 88 tariff to change the true up period to begin October 1 of each year.

PUBLIC SERVICE COMMISSION


Randy Christmann
Commissioner


Julie Fedorchak
Chair


Brian Kroshus
Commissioner