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November 19, 2021

Mr. Steve Kahl, Executive Secretary  
North Dakota Public Service Commission  
600 E. Boulevard Ave., Dept. 480  
Bismarck, ND 58505-0480

RE: Annual Regulated Earnings Report – AMENDED REDACTION  
Case No. PU-21-340

**PUBLIC DOCUMENT ENCLOSED: TRADE SECRET DATA REDACTED**

Dear Mr. Kahl:

Dakota Natural Gas, LLC (DNG) previously submitted its first annual report in the above-referenced docket; and, subsequent to conversations with PSC staff, DNG submitted an amended report. Thereafter, staff requested that DNG make its retail sales figure part of the public filing. Accordingly, attached hereto, please find a revised PUBLIC version of DNG's amended annual report. The underlying substantive content did not change, hence no new trade secret version is being submitted.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 209-2110 and my email address is [kanderson@greatermngas.com](mailto:kanderson@greatermngas.com).

Sincerely,

DAKOTA NATURAL GAS, LLC

s/  
Kristine A. Anderson  
Corporate Attorney (Minnesota) & Regulatory Affairs  
Enclosure

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**Dakota Natural Gas, LLC**  
**Natural Gas Utility - North Dakota**

**[TRADE SECRET BEGINS]**

**I. RETURN ON EQUITY (ROE)**

**Initial Year**  
2020

**Actual Return on Equity (ROE)**

- 1 Operating Income from Gas Operations (G-2):
- 2 Average Regulated Rate Base (G-3):
- 3 Rate of Return on Rate Bas (ROR) (line 1 / line 2):
  
- 4 Weighted Cost of Debt (G-4):
- 5 % of Equity in Capital Structure (G-4):
  
- 6 Return on Equity (ROE):

=====

**ROE, Normalized for Weather Impact on Sales**

- 7 Operating Income from Gas Operations:
- 8 Impact of weather on Mcf Sales:
- 9 Impact of weather on Gas Operating Income:
- 10 Weather-Normalized Operating Income:
- 11 Average Regulated Rate Base:
- 12 Weather-Normal Rate of Return on Rate Base (ROR):
  
- 13 Weather-Normalized Return on Equity (ROE):

=====

**Dakota Natural Gas, LLC**  
**Natural Gas Utility - North Dakota**

**II. OPERATING INCOME**

**Initial Year**  
**2020**  
**100% ND**

<u>Line</u>	<u>Item</u>	
	<b><u>Operating Revenues</u></b>	
1	Residential	
2	Firm C & I	
3	Interruptible C & I	
4	Total Retail	<u>52,978</u>
5	Transportation	
6	Other	<u>-</u>
7	Total Revenues:	
	<b><u>Operating Expenses:</u></b>	
8	Cost of Gas	
9	Admin. & General	
10	Customer Services	
11	Depreciation & Amortizations	
12	Distribution Expense	
13	Property Taxes	
14	Payroll & Other Taxes	
15	Sales Expense	
16	Management Fee	
17	Income Taxes (Imputed)	
18	Total Expenses:	<u>                    </u>
19	Regulated Operating Income	<u><u>                    </u></u>

Dakota Natural Gas, LLC  
 Natural Gas Utility - North Dakota

III. AVERAGE RATE BASE

<u>Line</u>	<u>Item</u>	<u>August</u>	<u>September</u>	<u>Initial Year 2020 100% ND October</u>	<u>November</u>	<u>December</u>	<u>Five Month Average</u>	<u>2019 100% ND</u>	<u>Annual Change</u>
1	Plant in Service								
2	Accumulated Depreciation								
3	Net Plant in Service								
4	Plant Held for Future Use								
5	Construction Work In Progress								
6	Materials & Supplies								
7	Gas Inventory								
8	Prepayments & Other								
9	Customer Deposits								
10	Cash Working Capital								
11	Other Rate Base								
	Total Other Rate Base								
12	Total Average Rate Base								

**Dakota Natural Gas, LLC**  
**Natural Gas Utility - North Dakota**

**IV. COST OF CAPITAL**

2020 Actual

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>% of Total</u>	<u>Cost</u>	<u>Weighted Cost</u>
* 1	Long-Term & Short-Term Debt		_____	_____	_____
2	Total Debt				
* 3	Members Equity		_____	_____	_____
4	Total Equity				
5	Total Capital	_____	=====		=====

2020 Normalized

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>% of Total</u>	<u>Cost</u>	<u>Weighted Cost</u>
6	Long-Term & Short-Term Debt		_____	_____	_____
7	Total Debt				
8	Members Equity		_____	_____	_____
9	Total Equity				
10	Total Capital	_____	=====		=====

\* Debt and Equity are based on five month average, using beginning and ending monthly balances August-December.

**I. SALES AND CUSTOMER DATA**

<u>Line</u>	<u>Customers (12/31)</u>	<u>Initial Year</u> <u>2020</u>
1	Residential	
2	Firm C & I	
3	Interruptible C & I	
4	Total Retail	
5	Transportation	
 <u>Mcf Sales</u>		
6	Residential	
7	Firm C & I	
8	Interruptible C & I	
9	Total Retail	
10	Transportation	
 <u>Retail Revenues</u>		
<i>Distribution Services</i>		
11	Residential	\$
12	Firm C & I	\$
13	Interruptible C & I	\$
14	Total Distribution Services	\$ <hr style="border-top: 1px solid black;"/>
<i>Gas Cost Recovery</i>		
15	Residential	\$
16	Firm C & I	\$
17	Interruptible C & I	\$
18	Total Gas Cost Recovery	\$ <hr style="border-top: 1px solid black;"/>
19	Total Revenues	\$ <hr style="border-top: 3px double black;"/>
20	Ave. Retail \$/mcf	
21	Ave. Res. Mo. Usage (ccf)	
22	Ave. Res. Monthly Bill	

**Dakota Natural Gas, LLC**  
**Natural Gas Utility - North Dakota**

**II. AFFILIATED TRANSACTION SUMMARY**

<u>Expense</u>	<u>Revenue</u>
_____	_____
_____	=====

III. AFFILIATED TRANSACTION ALLOCATION DETAIL

<u>Total Expense</u>	<u>Total Revenue</u>
_____	_____
=====	=====

Notes: \_\_\_\_\_

\$	
_____	_____
=====	=====

[TRADE SECRET ENDS]