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June 7, 2022

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

RE: Cost of Gas Changes
Case No. PU-22-015

PUBLIC DOCUMENT ENCLOSED: TRADE SECRET DATA REDACTED

Dear Mr. Kahl:

Enclosed herewith, please find Dakota Natural Gas, LLC's (DNG's) Cost of Gas (COG) information for that will be used on and after June 1, 2022. The attached schedules include the gas cost supporting worksheets.

The COG by class for June 2022 is as follows:

| <u>Customer Class</u> | <u>\$ / therm</u> |
|-----------------------|-------------------|
| Residential | \$0.91931 |
| Small Commercial | \$0.91931 |
| Commercial | \$0.91931 |
| General Interruptible | \$0.83552 |

DNG will pay the associated filing fee by credit card once it receives the invoice for the same, which can be emailed directly to me. 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.

Sincerely,

DAKOTA NATURAL GAS, LLC

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

Enclosures

| Class | Component | Distribution Charge | Cost of Gas | Total Rate |
|-----------------------|---------------|---------------------|-------------|------------|
| Residential | Basic Service | \$ 16.00 | | \$ 16.00 |
| | Commodity | \$ 0.37700 | \$ 0.91931 | \$ 1.29631 |
| Small Commercial | Basic Service | \$ 16.00 | | \$ 16.00 |
| | Commodity | \$ 0.37700 | \$ 0.91931 | \$ 1.29631 |
| Commercial | Basic Service | \$ 100.00 | | \$ 100.00 |
| | Commodity | \$ 0.37500 | \$ 0.91931 | \$ 1.29431 |
| General Interruptible | Basic Service | \$ 100.00 | | \$ 100.00 |
| | Commodity | \$ 0.25000 | \$ 0.83552 | \$ 1.08552 |

Units:
 Customer Charge - \$ per month
 Commodity Charge - \$ per therm

NATURAL GAS COST COMPONENT

| | | 1 | 2 | 3 |
|-----------------------|-----------|------------|--------------------|--------------|
| Cost Summary | | Prior Cost | Current Adjustment | Current Cost |
| | Ref | | | |
| Annual Demand | (a) | 0.08137 | - | 0.08137 |
| <u>Commodity</u> | | | | |
| Residential | (b) + (c) | 0.68030 | 0.15764 | 0.83794 |
| Small Commercial | (b) + (c) | 0.68030 | 0.15764 | 0.83794 |
| Commercial | (b) + (c) | 0.68030 | 0.15764 | 0.83794 |
| General Interruptible | (b) + (d) | 0.67788 | 0.15764 | 0.83552 |

BILLING COST OF GAS BY CLASS (From Column 3)

| Class Summary | Residential | Small Commercial | Commercial | General Interruptible |
|----------------------|-------------|------------------|------------|-----------------------|
| Annual Demand | 0.08137 | 0.08137 | 0.08137 | N/A |
| Commodity | 0.83552 | 0.83552 | 0.83552 | 0.83552 |
| SUBTOTAL | 0.91689 | 0.91689 | 0.91689 | 0.83552 |
| TRUE-UP | 0.00242 | 0.00242 | 0.00242 | - |
| TOTAL COG | 0.91931 | 0.91931 | 0.91931 | 0.83552 |

| | <u>12-Month Cost</u> |
|---|----------------------------|
| <u>Demand Cost (Residential and Commercial Firm)</u> | |
| 1. System Demand Detail Total | \$ 94,693.48 |
| 2. ND Annual / Seasonal Firm Therm Sales (Forecast) | 1,163,800 |
| 3. Demand Unit Cost \$ / Therm | \$ 0.08137 (a) |
| <u>Commodity Cost</u> | |
| 4. VGT Month / Best Effort (Forecast) | \$ 8,564.06 |
| 5. Budgeted Calendar Month Retail Therm Sales | 10,250 |
| 6. Commodity Unit Cost \$ / Therm (4 / 5) | \$ 0.83552 (b) |
| <u>True-up</u> | |
| 7. Residential / Commercial | \$ 0.00242 (c) |
| 8. General Interruptible | \$ - (d) |
| <u>Total Gas Cost per Therm</u> | |
| 9. Residential / Commercial | \$ 0.91931 (a) + (b) + (c) |
| 10. General Interruptible | \$ 0.83552 (b) + (d) |

Purchased Gas Adjustment, June 2022
Dakota Natural Gas, LLC
Demand Charge Detail Supporting Worksheet

VGT Firm Transportation AF0358

| <u>FT-A Annual Dollars</u> | <u>Volume (Dth)</u> | <u>Times Total Rate</u> | <u>Times Month/Year</u> | <u>Annual Total</u> |
|----------------------------|---------------------|-------------------------|-------------------------|---------------------|
| Contract 1 | 240 | \$ 3.8060 | 12 | \$ 10,961.28 |
| Contract 2 | 1,000 | \$ 0.0001 | 2 | \$ 0.20 |
| Contract 2 | 1,000 | \$ 3.8060 | 10 | \$ 38,060.00 |
| Contract 3 | 1,000 | \$ 3.8060 | 12 | \$ 45,672.00 |
| | <u>3,240</u> | | | <u>\$ 94,693.48</u> |

| <u>Cost Components</u> | <u>Rate (\$ Dth)</u> | <u>Source</u> | <u>Term</u> |
|-----------------------------------|----------------------|---------------|-------------|
| Base Tariff Rate: Cat:3 Zone 1-1 | \$ 3.8060 | See Note 1 | > 5 Years |
| Filed Tariff Rate: Cat:3 Zone 1-1 | \$ 3.8060 | See Note 1 | > 5 Years |

NOTES:

(1) VGT Volume No. 1, Part 5.0 Statement of Rates, Effective April 1, 2022

**Dakota Natural Gas, LLC
WACOG Worksheet
June-22**

Schedule C

[PROTECTED DATA BEGINS]

[PROTECTED DATA ENDS]

Viking Spot Purchase Calculation

Estimated Usage
Baseload
Swing supplies

| Monthly Delivery | Monthly Receipt | |
|------------------|-----------------|---|
| 1,025 | 1,039 | * |
| - | - | * |
| 1,025 | 1,039 | * |
| 1,025 | 1,039 | |

Estimated Supply Cost

\$ 8,564.06

Estimated Commodity Cost of Gas

\$ 8.3552

WACOG

Includes Viking Fuel Retention Rate

1.33%

Dakota Natural Gas, LLC
Actual Daily Delivery Variance Charges
Pursuant to Docket No. XXXXX

Schedule D

6/1/2022

| Prod. Month | | | | | | | | |
|----------------|-----|---------|-----|---------|-----|---------|-----|---------|
| | Mcf | Dollars | Mcf | Dollars | Mcf | Dollars | Mcf | Dollars |

Not applicable at this time

Dakota Natural Gas, LLC
PGA True-up - Recovered Vs. Actual Gas Cost
July 2021 - June 2022

Summary

| | July-21 | August-21 | September-21 | October-21 | November-21 | December-21 | January-22 | February-22 | March-22 | April-22 | May-22 | June-22 | TOTAL |
|---|----------|------------|--------------|------------|-------------|-------------|------------|-------------|-----------|-------------|-----------|-----------|------------|
| Cost of Gas Recovered | | | | | | | | | | | | | |
| Demand | \$ 41 | \$ 60 | \$ 79 | \$ 1,008 | \$ 3,054 | \$ 5,526 | \$ 17,737 | \$ 15,109 | \$ 10,356 | \$ 7,899 | \$ - | \$ - | \$ 60,870 |
| Commodity | 271 | 458 | 745 | 30,566 | 25,144 | 44,974 | 75,848 | 60,710 | 42,259 | 51,503 | - | - | 332,476 |
| Total Cost of Gas Recovered | \$ 312 | \$ 518 | \$ 824 | \$ 31,574 | \$ 28,199 | \$ 50,500 | \$ 93,584 | \$ 75,819 | \$ 52,615 | \$ 59,402 | \$ - | \$ - | \$ 393,347 |
| Cost of Gas Delivered | | | | | | | | | | | | | |
| Demand | \$ 914 | \$ 914 | \$ 914 | \$ 914 | \$ 4,719 | \$ 2,830 | \$ 3,982 | \$ 3,499 | \$ 3,197 | \$ 5,405 | \$ - | \$ 0 | \$ 27,288 |
| Commodity | 109 | 1,278 | (23,579) | 19,582 | 18,414 | 46,671 | 68,457 | 78,294 | 32,945 | 90,432 | - | - | 332,602 |
| Total Cost of Gas Delivered | \$ 1,022 | \$ 2,192 | \$ (22,666) | \$ 20,495 | \$ 23,134 | \$ 49,502 | \$ 72,440 | \$ 81,792 | \$ 36,142 | \$ 95,837 | \$ - | \$ 0 | \$ 359,890 |
| Over/(Under) Recovered | | | | | | | | | | | | | |
| Demand | \$ (872) | \$ (853) | \$ (834) | \$ 95 | \$ (1,665) | \$ 2,695 | \$ 13,754 | \$ 11,610 | \$ 7,159 | \$ 2,494 | \$ - | \$ (0) | \$ 33,583 |
| Commodity | 162 | (821) | 24,325 | 10,984 | 6,730 | (1,698) | 7,390 | (17,584) | 9,314 | (38,929) | - | - | (126) |
| Net Over/(Under) Recovered | \$ (710) | \$ (1,674) | \$ 23,490 | \$ 11,079 | \$ 5,065 | \$ 998 | \$ 21,145 | \$ (5,974) | \$ 16,473 | \$ (36,435) | \$ - | \$ (0) | \$ 33,457 |
| Cumulative Over/(Under) | \$ (710) | \$ (2,384) | \$ 21,106 | \$ 32,185 | \$ 37,250 | \$ 38,248 | \$ 59,392 | \$ 53,419 | \$ 69,892 | \$ 33,457 | \$ 33,457 | \$ 33,457 | |
| 2021 - 2022 True-up Net Under Collection | | | | | | | | | | | | | \$ (2,821) |
| Out of Period Adjustments | | | | | | | | | | | | | - |
| PGA True-up Billed | \$ - | \$ - | \$ 5 | \$ 58 | \$ 175 | \$ 317 | \$ 528 | \$ 449 | \$ 308 | \$ 235 | \$ - | \$ - | 2,075 |
| Est. PGA True-up Collected 7/1/22 - 8/31/22 | | | | | | | | | | | | | - |
| 2019 - 2020 True-up - Collect 9/1/21 - 8/31/22 | (710) | (1,674) | 23,490 | 11,079 | 5,065 | 998 | 21,145 | (5,974) | 16,473 | (36,435) | - | (0) | 33,457 |
| Total Cumulative Over/(Under) Recovered Cost of Gas | \$ (710) | \$ (2,384) | \$ 21,106 | \$ 32,185 | \$ 37,250 | \$ 38,248 | \$ 59,392 | \$ 53,419 | \$ 69,892 | \$ 33,457 | \$ 33,457 | \$ 33,457 | \$ 32,711 |

Summary:

| | |
|---|------------------|
| Estimated Over/(Under) Collected 2020- 2021 True-up | \$ (746) |
| Out of Period Adjustments | - |
| 2021 - 2022 True-up - Over/(Under)recovered COG | 33,457 |
| Net (Under) Over recovered Cost of Gas | \$ 32,711 |

Notes:

| | Firm Sales | Interr. - Ag | Interr. - Gen | Total |
|--|------------|--------------|---------------|-------|
| 1/ Estimated PGA True-up Collected 7/1 - 8/31/22 | | | | |
| Estimated July 2022 Ccf | | | | - |
| Estimated August 2022 Ccf | | | | - |
| Total Ccf | | | | - |
| True-up Rate | \$ - | \$ - | \$ - | \$ - |
| Est. True-up Collected | \$ - | \$ - | \$ - | \$ - |