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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-23-14

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 May 1, 2023. The attached schedules include the gas cost supporting worksheets.

Please note that there are two versions of the document; namely, one that is redacted for public viewing and one that is non-public because it includes trade secret information. Ergo, DNG's Application for Trade Secret Protection seeking trade secret protection for all of its 2023 cost of gas filings is also enclosed, seeking protection for certain information contained therein. Trade secret versions will be provided to the Commission in sealed envelopes.

The COG by class for May 2023 is as follows:

| <u>Customer Class</u> | <u>\$ / therm</u> |
|-----------------------|-------------------|
| Residential | \$0.62153 |
| Small Commercial | \$0.62153 |
| Commercial | \$0.61953 |
| General Interruptible | \$0.39779 |

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

Enclosure

| Class | Component | Distribution Charge | Cost of Gas | Total Rate |
|-----------------------|---------------|---------------------|-------------|------------|
| Residential | Basic Service | \$ 16.00 | | \$ 16.00 |
| | Commodity | \$ 0.37700 | \$ 0.24453 | \$ 0.62153 |
| Small Commercial | Basic Service | \$ 16.00 | | \$ 16.00 |
| | Commodity | \$ 0.37700 | \$ 0.24453 | \$ 0.62153 |
| Commercial | Basic Service | \$ 100.00 | | \$ 100.00 |
| | Commodity | \$ 0.37500 | \$ 0.24453 | \$ 0.61953 |
| General Interruptible | Basic Service | \$ 100.00 | | \$ 100.00 |
| | Commodity | \$ 0.25000 | \$ 0.14779 | \$ 0.39779 |

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

NATURAL GAS COST COMPONENT

| | | 1 | 2 | 3 |
|-----------------------|-----------|------------|--------------------|--------------|
| Cost Summary | Ref | Prior Cost | Current Adjustment | Current Cost |
| Annual Demand | (a) | 0.06529 | - | 0.06529 |
| <u>Commodity</u> | | | | |
| Residential | (b) + (c) | 0.14287 | 0.03637 | 0.17924 |
| Small Commercial | (b) + (c) | 0.14287 | 0.03637 | 0.17924 |
| Commercial | (b) + (c) | 0.14287 | 0.03637 | 0.17924 |
| General Interruptible | (b) + (d) | 0.11142 | 0.03637 | 0.14779 |

BILLING COST OF GAS BY CLASS (From Column 3)

| Class Summary | Residential | Small Commercial | Commercial | General Interruptible |
|----------------------|-------------|------------------|------------|-----------------------|
| Annual Demand | 0.06529 | 0.06529 | 0.06529 | N/A |
| Commodity | 0.19993 | 0.19993 | 0.19993 | 0.19993 |
| SUBTOTAL | 0.26522 | 0.26522 | 0.26522 | 0.19993 |
| TRUE-UP | (0.02069) | (0.02069) | (0.02069) | (0.05214) |
| TOTAL COG | 0.24453 | 0.24453 | 0.24453 | 0.14779 |

| <u>Demand Cost (Residential and Commercial Firm)</u> | <u>12-Month Cost</u> |
|---|-----------------------------|
| 1. System Demand Detail Total | \$ 102,305.28 |
| 2. ND Annual / Seasonal Firm Therm Sales (Forecast) | 1,566,900 |
| 3. Demand Unit Cost \$ / Therm | \$ 0.06529 (a) |
| <u>Commodity Cost</u> | |
| 4. VGT Month / Best Effort (Forecast) | \$ 9,996.42 |
| 5. Budgeted Calendar Month Retail Therm Sales | 50,000 |
| 6. Commodity Unit Cost \$ / Therm (4 / 5) | \$ 0.19993 (b) |
| <u>True-up</u> | |
| 7. Residential / Commercial | \$ (0.02069) (c) |
| 8. General Interruptible | \$ (0.05214) (d) |
| <u>Total Gas Cost per Therm</u> | |
| 9. Residential / Commercial | \$ 0.24453 (a) + (b) + (c) |
| 10. General Interruptible | \$ 0.14779 (b) + (d) |

Purchased Gas Adjustment, May 2023
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 | \$ 3.8060 | 12 | \$ 45,672.00 |
| Contract 3 | 1,000 | \$ 3.8060 | 12 | \$ 45,672.00 |
| | <u>2,240</u> | | | <u>\$ 102,305.28</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, 2023

**Dakota Natural Gas, LLC
WACOG Worksheet
May-23**

Schedule C

[PROTECTED DATA BEGINS]

| Transport | Volume | Rate | Total |
|--------------------------------|--------|------|-------|
| Total Transport Charges | | | \$ |

| Supply | Volume | Price | Total |
|-----------------------------|--------|-------|-------|
| Total Supply Charges | | | \$ |

| | | | |
|--------------|--|--|----|
| Total | | | \$ |
|--------------|--|--|----|

Projected Total Cost **[PROTECTED DATA ENDS]**

| | Monthly Delivery | Monthly Receipt | |
|---|--------------------|-----------------|---|
| Viking Spot Purchase Calculation | 5,000 | 5,036 | * |
| Estimated Usage | - | - | * |
| Baseload | - | - | * |
| Viking BP (ANR Storage) | 5,000 | 5,036 | * |
| Swing supplies | 5,000 | 5,036 | |
| Estimated Supply Cost | \$ 9,996.42 | | |
| Estimated Commodity Cost of Gas | \$ 1.9993 | WACOG | |
| | | 0.72% | |
| Includes Viking Fuel Retention Rate | | | |

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

Schedule D

5/1/2023

| 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 2022 - June 2023

Summary

| | July-22 | August-22 | September-22 | October-22 | November-22 | December-22 | January-23 | February-23 | March-23 | April-23 | May-23 | June-23 | TOTAL |
|---|------------|------------|--------------|------------|-------------|-------------|------------|-------------|------------|-----------|-----------|-----------|------------|
| Cost of Gas Recovered | | | | | | | | | | | | | |
| Demand | \$ 676 | \$ 585 | \$ 765 | \$ 4,130 | \$ 10,140 | \$ 15,783 | \$ 17,061 | \$ 16,114 | \$ 15,897 | \$ - | \$ - | \$ - | \$ 81,150 |
| Commodity | 4,853 | 5,538 | 15,438 | 67,645 | 82,654 | 161,124 | 164,017 | 149,619 | 111,120 | - | - | - | 762,010 |
| Total Cost of Gas Recovered | \$ 5,529 | \$ 6,124 | \$ 16,203 | \$ 71,775 | \$ 92,794 | \$ 176,907 | \$ 181,078 | \$ 165,733 | \$ 127,016 | \$ - | \$ - | \$ - | \$ 843,160 |
| Cost of Gas Delivered | | | | | | | | | | | | | |
| Demand | \$ 2,990 | \$ 2,990 | \$ 5,315 | \$ 5,611 | \$ 7,206 | \$ 5,481 | \$ 8,525 | \$ 8,525 | \$ 8,525 | \$ - | \$ - | \$ 0 | \$ 55,170 |
| Commodity | 2,648 | 5,419 | 3,392 | 41,496 | 114,998 | 158,225 | 160,173 | 140,236 | 109,510 | - | - | - | 736,097 |
| Total Cost of Gas Delivered | \$ 5,639 | \$ 8,410 | \$ 8,708 | \$ 47,107 | \$ 122,204 | \$ 163,706 | \$ 168,699 | \$ 148,761 | \$ 118,035 | \$ - | \$ - | \$ 0 | \$ 791,268 |
| Over/(Under) Recovered | | | | | | | | | | | | | |
| Demand | \$ (2,315) | \$ (2,405) | \$ (4,551) | \$ (1,481) | \$ 2,934 | \$ 10,302 | \$ 8,535 | \$ 7,589 | \$ 7,371 | \$ - | \$ - | \$ (0) | \$ 25,980 |
| Commodity | 2,205 | 119 | 12,046 | 26,149 | (32,343) | 2,899 | 3,844 | 9,383 | 1,610 | - | - | - | 25,912 |
| Net Over/(Under) Recovered | \$ (110) | \$ (2,286) | \$ 7,495 | \$ 24,669 | \$ (29,409) | \$ 13,201 | \$ 12,379 | \$ 16,972 | \$ 8,981 | \$ - | \$ - | \$ (0) | \$ 51,892 |
| Cumulative Over/(Under) | \$ (110) | \$ (2,396) | \$ 5,099 | \$ 29,768 | \$ 358 | \$ 13,560 | \$ 25,939 | \$ 42,911 | \$ 51,892 | \$ 51,892 | \$ 51,892 | \$ 51,892 | \$ 51,892 |
| 2022 - 2023 True-up Net Over Collection | | | | | | | | | | | | | \$ 46,102 |
| Out of Period Adjustments | | | | | | | | | | | | | - |
| PGA True-up Billed | \$ 20 | \$ 17 | \$ (659) | \$ (5,263) | \$ (6,281) | \$ (8,303) | \$ (8,248) | \$ (7,308) | \$ (7,400) | \$ - | \$ - | \$ - | (43,425) |
| Est. PGA True-up Collected 7/1/23 - 8/31/23 | | | | | | | | | | | | | - |
| 2020 - 2021 True-up - Collected 9/1/22 - 8/31/23 | (110) | (2,286) | 7,495 | 24,669 | (29,409) | 13,201 | 12,379 | 16,972 | 8,981 | - | - | (0) | 51,892 |
| Total Cumulative Over/(Under) Recovered Cost of Gas | \$ (110) | \$ (2,396) | \$ 5,099 | \$ 29,768 | \$ 358 | \$ 13,560 | \$ 25,939 | \$ 42,911 | \$ 51,892 | \$ 51,892 | \$ 51,892 | \$ 51,892 | \$ 54,569 |

Summary:

| | |
|---|------------------|
| Estimated Over/(Under) Collected 2021- 2022 True-up | \$ 2,677 |
| Out of Period Adjustments | - |
| 2022 - 2022 True-up - Over/(Under)recovered COG | 51,892 |
| Net (Under) Over recovered Cost of Gas | \$ 54,569 |