



A Subsidiary of MDU Resources Group, Inc.

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February 8, 2024

Executive Secretary
North Dakota Public Service Commission
State Capitol Building
Bismarck, ND 58505

**Re: Cost of Gas Adjustment (COG) Rate 88 and Rate 99
Case No. PU-24-007**

In accordance with North Dakota Century Code Section 49-05-05, Montana-Dakota Utilities Co. (Montana-Dakota) electronically submits a Cost of Gas (COG) – Natural Gas change pursuant to the terms of Rate 88. Montana-Dakota will not seek a COG – Propane adjustment for the month of March 2024 for Rate 99.

The COG Adjustment tariff (Rate 99), Section 2(b) provides that “Montana-Dakota shall file to reflect changes in its average cost of gas supply only when the amount of such COG is at least 25 (twenty-five) cents per dk.” For Rate 99 – Propane, the COG adjustment for the month of March 2024 results in a change of less than 25 cents per dk, and therefore, in accordance with the authorized tariff, Montana-Dakota will not seek a COG adjustment change for the month of March 2024.

The Rate Summary Sheet (27th Revised Sheet No. 3) showing the proposed natural gas rates reflecting the COG effective March 1, 2024, along with currently effective distribution rates, is provided in Exhibit 1. The net effect of this filing, calculated pursuant to the terms of Rate 88, is a decrease of \$0.271 per dk for residential customers and firm general customers, a decrease of \$0.311 per dk for small and large interruptible customers, and a decrease of \$0.310 per dk for Air Force interruptible customers.

Montana-Dakota purchases gas supplies under a number of contracts and secures transportation service over a number of pipelines for delivery of the natural gas purchased to Montana-Dakota’s distribution system to meet the demands of its customers. The commodity cost of natural gas has decreased \$0.323 per dk since the February 1, 2024 rates due to a decrease in the overall commodity price of gas. In addition, the commodity cost of gas was offset by the Viking Gas pipeline interim rates effective March 1, 2024 resulting in an increase of \$0.029 per dk. Finally, there was an update to the Company’s normalized firm dk deliveries, an increase to the allocation of Demand, and changes in pipeline and other costs resulting in an increase of \$0.023 per dk in North Dakota.

The following Exhibits are provided in support of the COG rates to be effective March 1, 2024:

- Exhibit 2 summarizes the cost of gas adjustment, the surcharge adjustment, and the grain drying margin sharing adjustment calculated pursuant to the terms of Rate 88 that will apply during the month of March 2024.
- Exhibit 3, shows the calculation of the current gas cost adjustment that will be applicable to Montana-Dakota's customers for the month of March 2024 along with an explanation of the reasons for the decrease in the market price of gas. The average cost of gas for firm customers, adjusted for losses, is \$4.221 per dk.
- Exhibit 3a is marked as "Confidential" and contains confidential information regarding gas commodity pricing and is designated as Trade Secret in accordance with the Commission's March 30, 2022 Order in Case No. PU-22-008. Montana-Dakota filed for similar treatment on October 31, 2022 in Case No. PU-23-007 and on October 25, 2023 in Case No. PU-24-007. Exhibit 3a - Public Copy is included in this filing.
- Exhibit 4 provides a summary of the change in pipeline rates occurring since the last COG filing and a copy of applicable effective pipeline rates along with supporting workpapers.
- Exhibit 5 shows the calculation of the return on storage inventory balances and prepaid demand and commodity balances using the calculation procedure set forth in Rate 88. The overall rate of return of 6.851% applied to the balances was authorized by the Commission in Case No. PU-20-379.
- Exhibit 6 shows the computation of the (over)/under recovered gas cost account balances.

The COG changes, calculated in accordance with Rate 88, will amount to a decrease of approximately \$620,300 for natural gas customers during the month of March 2024. All Montana-Dakota's retail gas customers in North Dakota may be affected by this proposal. There were 113,544 natural gas customers in North Dakota as of January 31, 2024.

Please refer all inquiries regarding this filing to:

Mr. Travis R. Jacobson
Director of Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501

Also, please send copies of all written inquiries, correspondence and pleadings to:

Ms. Allison Waldon
Attorney
MDU Resources Group, Inc.
P. O. Box 5650
Bismarck, ND 58506-5650

Montana-Dakota respectfully requests this electronic filing, in lieu of an original and two (2) physical copies, be accepted as being in full compliance with the filing requirements of this Commission.

If you have any questions regarding this filing, please contact me at (701) 222-7855 or travis.jacobson@mdu.com

Sincerely,

/s/ Travis R. Jacobson

Travis R. Jacobson
Director of Regulatory Affairs

Attachments

cc: A. Waldon

**RATE SUMMARY SHEET
(PROPOSED)**



Montana-Dakota Utilities Co.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Gas Rate Schedule

NDPSC Volume 8
27th Revised Sheet No. 3
Canceling 26th Revised Sheet No. 3

RATE SUMMARY SHEET

Page 1 of 2

| Rate Schedule | Sheet No. | Basic Service Charge | Distribution Delivery Charge | Rates 88 & 99 Cost of Gas | Total Rate/ Dk |
|--|-----------|--|--|-------------------------------|--|
| Residential Rate 60 1/ | 4 | \$0.8244 per day | \$0.000 | \$3.839 | \$3.839 |
| Air Force Rate 64 1/ Minot Air Force Base PAR Site | 7 | \$2,000.00 per month \$175.00 per month | | | |
| Firm Service | | | \$0.449 | \$3.839 | \$4.288 |
| Interruptible Service - PAR | | | \$0.255 | \$2.413 | \$2.668 |
| Interruptible Service - MAFB | | | \$0.255 | \$2.418 | \$2.673 |
| Firm General Service Rate 70 1/ Meters rated < 500 cubic feet Meters rated > 500 cubic feet | 13 | \$0.75 per day \$2.13 per day | \$1.174 \$0.917 | \$3.839 \$3.839 | \$5.013 \$4.756 |
| Small Interruptible Gas Rate 71 1/ | 14 | \$450.00 per month | (Maximum) \$0.566 | \$2.413 | (Maximum) \$2.979 |
| Optional Seasonal Gas Service Rate 72 1/ Meters rated < 500 cubic feet Meters rated > 500 cubic feet | 15 | \$0.75 per day \$2.13 per day | \$1.174 \$0.917 | \$3.966 \$3.966 | \$5.140 \$4.883 |
| Contracted Demand Service Rate 74 1/ Meters rated < 500 cubic feet Meters rated > 500 cubic feet | 16 | \$0.75 per day \$2.13 per day | (Demand Charge) \$8.000 | (Capacity Charge) (COG/Dk) | \$11.930 \$3.432 |
| Transportation Service Small Interruptible Rate 81 1/ Maximum Minimum Large Interruptible Rate 82 1/ Maximum Minimum | 24 | \$450.00 per month | \$0.566 \$0.102 \$0.237 \$0.061 | | \$0.566 \$0.102 \$0.237 \$0.061 |
| Large Interruptible Gas Rate 85 1/ | 27 | \$1,600.00 per month | (Maximum) \$0.237 | \$2.413 | (Maximum) \$2.650 |
| Residential Propane Rate 90 1/ | 32 | \$0.8244 per day | \$0.000 | \$9.080 | \$9.080 |
| Firm General Propane Rate 92 1/ Meters rated < 500 cubic feet Meters rated > 500 cubic feet | 34 | \$0.75 per day \$2.13 per day | \$1.174 \$0.917 | \$9.080 \$9.080 | \$10.254 \$9.997 |

1/ Interim increase of 20.856% applicable to amounts billed under Basic Service Charge and Distribution Delivery Charge.

Date Filed: February 8, 2024

Effective Date: Service rendered on and after March 1, 2024

Issued By: Travis R. Jacobson
Director - Regulatory Affairs

Case No.: PU-24-007

MONTANA-DAKOTA UTILITIES CO.
COST OF GAS TARIFF SHEET
NORTH DAKOTA GAS
EFFECTIVE MARCH 2024

| | Firm | | | Small & Large Interruptible | Air Force Interruptible |
|---|-------------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|
| | Residential & General Service | Optional Seasonal | Contracted Demand | | |
| <u>Gas Cost Adjustment:</u> | | | | | |
| Gas Cost Level (Exhibit 3) | \$4.221 | \$4.348 | \$2.654 | \$2.827 | \$2.814 |
| Prior Filed Gas Cost (Effective 2/1/2024) | 4.492 | 4.616 | 2.954 | 3.138 | 3.124 |
| Current Gas Cost Adjustment | (\$0.271) | (\$0.268) | (\$0.300) | (\$0.311) | (\$0.310) |
| <u>Surcharge Adjustment:</u> | | | | | |
| Current Adjustment | (\$0.368) | (\$0.368) | \$0.792 | (\$0.414) | (\$0.396) |
| Prior Filed Adjustment | (0.368) | (0.368) | 0.792 | (0.414) | (0.396) |
| Change in Surcharge Adjustment | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Gas Cost Level | \$4.221 | \$4.348 | \$2.654 | \$2.827 | \$2.814 |
| Plus: Surcharge | (0.368) | (0.368) | 0.792 | (0.414) | (0.396) |
| Total Gas Cost Level in Tariff Rates | <u>\$3.853</u> | <u>\$3.980</u> | <u>\$3.446</u> | <u>\$2.413</u> | <u>\$2.418</u> |
| <u>Grain Drying Margin Sharing</u> | | | | | |
| Current Adjustment | (\$0.014) | (\$0.014) | (\$0.014) | \$0.000 | \$0.000 |
| Prior Filed Gas Cost | (0.014) | (0.014) | (0.014) | 0.000 | 0.000 |
| Change in Grain Drying Sharing Margin | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Cost of Gas Billed | <u>\$3.839</u> | <u>\$3.966</u> | <u>\$3.432</u> | <u>\$2.413</u> | <u>\$2.418</u> |
| Net Increase (Decrease) in Gas Costs | <u>(\$0.271)</u> | <u>(\$0.268)</u> | <u>(\$0.300)</u> | <u>(\$0.311)</u> | <u>(\$0.310)</u> |

**MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
RESIDENTIAL AND GENERAL SERVICE
EFFECTIVE MARCH 2024**

| | <u>Amount</u> |
|---|----------------------|
| Total Gas Costs 1/ | \$70,608,831 |
| Dk Requirements - Firm 2/ | 16,803,353 |
| Average Cost of Gas per dk | \$4.202 |
| Average Cost of Gas as Adjusted for Losses @ 99.55% | 4.221 |
| Less: Gas Cost Level in Rates 3/ | 4.492 |
| Current Gas Cost Adjustment | (\$0.271) |

- 1/ Includes all pipeline demand and commodity charges, see Exhibit 3a, page 1. See Exhibit 4 for currently effective pipeline rates. Also includes a return on prepaid demand, commodity and cycle storage balances as shown on Exhibit 5.
- 2/ Normalized dk sales for the twelve months ended December 31, 2023, adjusted for losses at .45%.
- 3/ Gas Cost Level in Current Tariff Rates Case No. PU-24-007 effective February 1, 2024:

| | |
|-------------------------------------|---------|
| Cost of Purchased Gas | \$4.472 |
| Adjustment for Distribution Losses | 99.55% |
| Gas Cost Level in Base Tariff Rates | \$4.492 |

**MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
NORTH DAKOTA - OPTIONAL SEASONAL - RATE 72
EFFECTIVE MARCH 2024**

| | <u>Amount</u> |
|---|--------------------------------|
| Total Gas Costs 1/ | \$70,608,831 |
| Less: Annual MDDQ Costs (Excludes Storage Capacity Reservation) | <u>26,214,839</u> |
| Total Gas Costs excluding MDDQ | \$44,393,992 |
| Firm Service Requirements 1/ | 16,803,353 |
| Other Gas Costs per Dk (excluding MDDQ) | \$2.642 |
| <u>Winter - October - May</u> Annual MDDQ Costs | 26,214,839 |
| Winter Firm Service Requirements | 15,550,211 |
| MDDQ Costs per Winter Dk | \$1.686 |
| Add: Other Gas Costs per Dk | <u>2.642</u> |
| Winter Seasonal Rate | \$4.328 |
| Winter Seasonal Rate, adjusted for losses 2/ | \$4.348 |
| Less: Gas Cost Level in Rates 3/ | <u>4.616</u> |
| Current Gas Cost Adjustment | <u><u>(\$0.268)</u></u> |

1/ Exhibit 3, page 1.

2/ Loss factor of 0.45%.

3/ Gas Cost Level in Current Tariff Rates Case No. PU-24-007 effective February 1, 2024:

| | |
|-------------------------------------|---------------|
| | <u>Winter</u> |
| Cost of Purchased Gas | \$4.595 |
| Adjustment for Distribution Losses | 99.55% |
| Gas Cost Level in Base Tariff Rates | \$4.616 |

**MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
FIRM GENERAL CONTRACTED DEMAND
EFFECTIVE MARCH 2024**

| <u>Cost of Gas</u> | <u>Amount</u> |
|---|--------------------------------|
| Total Gas Costs, Excluding Capacity 1/ | \$44,393,992 |
| Residential and General Service dk Requirements 2/ | 16,803,353 |
| Average Cost of Gas per dk | \$2.642 |
| Average Cost of Gas as Adjusted for Losses @ 99.55% | 2.654 |
| Less: Gas Cost Level in Rates 3/ | <u>2.954</u> |
| Current Gas Cost Adjustment | <u><u>(\$0.300)</u></u> |
| | |
| <u>Capacity Charge</u> | |
| Current Monthly Capacity Charge 4/ | \$11.93 |
| Prior Filed Capacity Charge 3/ | <u>11.72</u> |
| Current Capacity Charge Adjustment | <u><u>\$0.21</u></u> |

- 1/ Includes all pipeline demand and commodity charges, see Exhibit 3, page 2. See Exhibit 4 for currently effective pipeline rates. Also includes a return on prepaid demand, commodity and cycle storage balances as shown on Exhibit 5.
- 2/ Normalized dk sales for the twelve months ended December 31, 2023, adjusted for losses at .45%.
- 3/ Gas Cost Level in Current Tariff Rates Case No. PU-24-007 effective February 1, 2024:

| | |
|-------------------------------------|---------|
| Cost of Purchased Gas | \$2.941 |
| Adjustment for Distribution Losses | 0.9955 |
| Gas Cost Level in Base Tariff Rates | \$2.954 |
| Monthly Capacity Charge | \$11.72 |

- 4/ Annual MDDQ Costs divided by contracted capacity.

**MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
INTERRUPTIBLE
EFFECTIVE MARCH 2024**

| | <u>Amount</u> |
|---|----------------------|
| Total Gas Costs 1/ | \$17,649,786 |
| Dk Requirements - Interruptible | 6,271,847 |
| Average Cost of Gas per dk | \$2.814 |
| Average Cost of Gas as Adjusted for Losses @ 99.55% | 2.827 |
| Less: Gas Cost Level in Rates 2/ | 3.138 |
| Current Gas Cost Adjustment | (\$0.311) |

- 1/ Includes all pipeline demand and commodity charges, see Exhibit 3, page 2. See Exhibit 4 for currently effective pipeline rates. Also includes a return on prepaid demand, commodity and cycle storage balances as shown on Exhibit 5.
- 2/ Gas Cost Level in Current Tariff Rates Case No. PU-24-007 effective February 1, 2024:

| | |
|-------------------------------------|---------|
| Cost of Purchased Gas | \$3.124 |
| Adjustment for Distribution Losses | 99.55% |
| Gas Cost Level in Base Tariff Rates | \$3.138 |

MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
AIR FORCE INTERRUPTIBLE
EFFECTIVE MARCH 2024

| | <u>Amount</u> |
|--|--------------------------------|
| Total Gas Costs 1/ | \$1,115,870 |
| Dk Requirements - Air Force Interruptible | 396,550 |
| Average Cost of Gas per dk | \$2.814 |
| Less: Gas Cost Level in Rates 2/ | <u>3.124</u> |
| Current Gas Cost Adjustment | <u><u>(\$0.310)</u></u> |

1/ Includes all pipeline demand and commodity charges, see Exhibit 3, page 2. See Exhibit 4 for currently effective pipeline rates. Also includes a return on prepaid demand, commodity and cycle storage balances as shown on Exhibit 5.

2/ Gas Cost Level in Current Tariff Rates Case No. PU-24-007 effective February 1, 2024:

| | |
|-----------------------|---------|
| Cost of Purchased Gas | \$3.124 |
|-----------------------|---------|

**MONTANA-DAKOTA UTILITIES CO.
SUMMARY OF FIRM DK DELIVERIES, CAPACITY AND
CALCULATION OF INTERRUPTIBLE DEMAND
EFFECTIVE MARCH 2024**

| | Normalized Firm Dk Deliveries 1/ | Percent Firm |
|--------------|--|--------------------|
| Montana | 10,275,298 | 27.743072% |
| North Dakota | 16,803,353 | 45.368674% |
| South Dakota | 7,201,151 | 19.442945% |
| Wyoming | 2,757,545 | 7.445309% |
| Total | <u>37,037,347</u> | <u>100.000000%</u> |

| | Total Capacity 2/ | % |
|--------------|----------------------|--------------------|
| Montana | 127,564 | 28.793665% |
| North Dakota | 183,113 | 41.332151% |
| South Dakota | 98,579 | 22.251190% |
| Wyoming | 33,772 | 7.622994% |
| Total | <u>443,028</u> | <u>100.000000%</u> |

INTERRUPTIBLE

| | Dk volumes | 100% Load Factor MDDQ |
|--------------|-------------------|-----------------------------|
| Montana | 3,716,416 3/ | 10,182 |
| North Dakota | 6,271,847 4/ | 17,183 |
| ND AFB | 396,550 5/ | 1,086 |
| South Dakota | 1,731,859 6/ | 4,745 |
| Wyoming | 2,737,179 7/ | 7,499 |
| Total | <u>14,853,851</u> | <u>40,695</u> |

1/ Normalized firm sales volumes for the twelve months ended September 30, 2023, adjusted for losses.

2/ Required capacity reservation.

3/ Reflects level of interruptible dk volumes included in Docket No. 2020.06.076

4/ Reflects level of interruptible dk volumes included in Case No. PU-20-379, excluding the Air Force.

5/ Reflects level of interruptible dk for Minot Air Force Base in Case No. PU-20-379.

6/ Reflects level of interruptible dk volumes included in Docket No. NG15-005.

7/ Reflects level of interruptible dk volumes included in Docket No. 30013-351-GR-19.

| | Loss Factors | Inverse |
|--------------|--------------|---------|
| Montana | 0.72% | 99.28% |
| North Dakota | 0.45% | 99.55% |
| South Dakota | 1.00% | 99.00% |
| Wyoming | 0.68% | 99.32% |

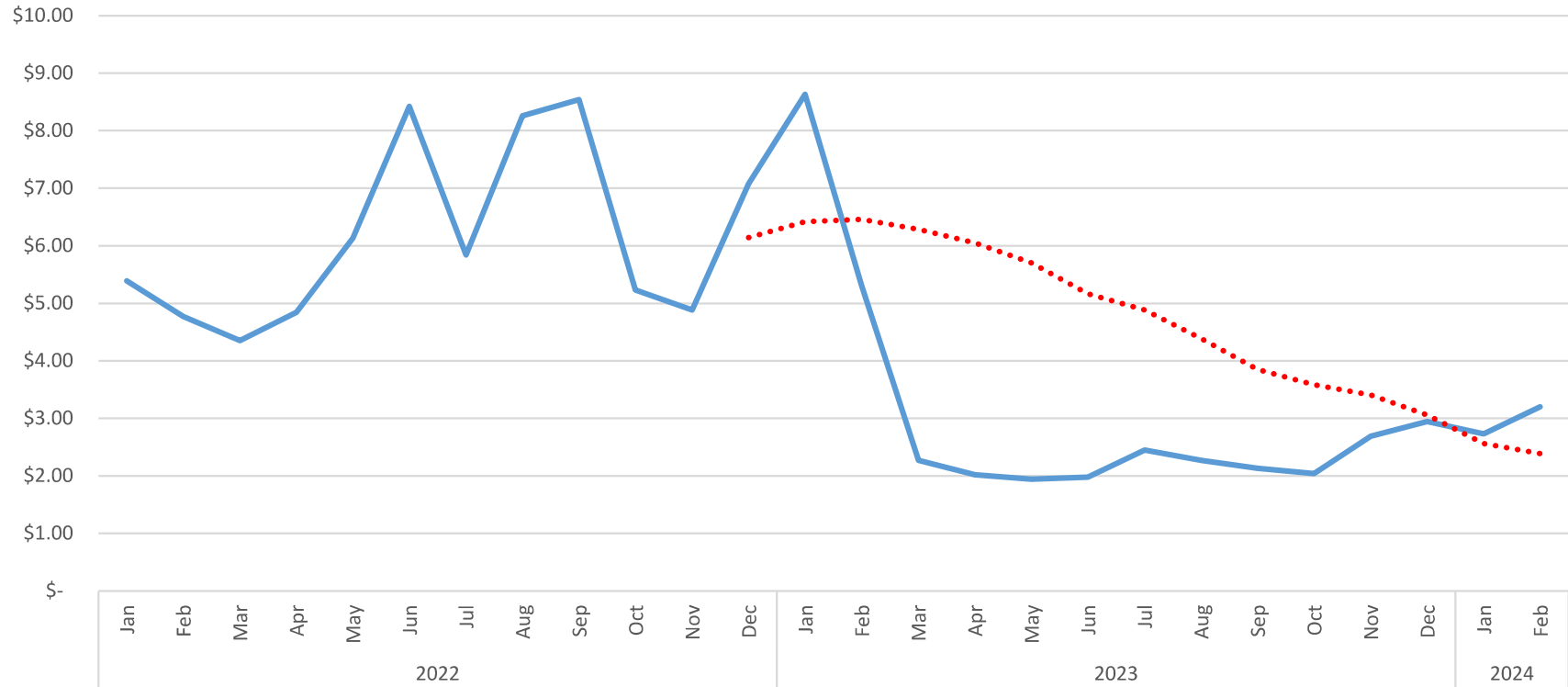
**Montana-Dakota Utilities Co.
Market Conditions for Regional Natural Gas
March 2024**

The established monthly price for Rocky Mountain CIG Index for this month expected to decrease by \$0.22/MMBTU to \$1.96/MMBTU in March 2024 from \$2.18/MMBTU in February 2024. The CIG Rocky Mountain Index is based on a price discovery survey by several natural gas periodicals, including “Inside FERC Gas Market” report and “Gas Daily” by McGraw-Hill Companies, of prices paid by willing sellers and buyers of quantities of gas in that region. That price is reflective of natural gas prices in the Rocky Mountain region and indicative of the supplies Montana-Dakota purchases for its requirements.

The EIA reported nationwide storage levels as of January 26, 2024 at 5.1 percent above the five-year average and 2.1 above last year’s balance.

The Department of Energy’s (DOE) Energy Information Administration (EIA) provides various publications on energy issues. The information is available on the DOE website: <http://www.eia.doe.gov>.

CIG Rocky Mountains Index Monthly Gas Prices \$/MMBTU



From Inside FERC Gas Market Report

• • • 12-Month Rolling Average

Annual Averages

| | |
|------|---------|
| 2022 | \$ 6.14 |
| 2023 | \$ 3.06 |
| 2024 | \$ 2.97 |

MONTANA-DAKOTA UTILITIES CO.
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA
NORTH DAKOTA GAS UTILITY
EFFECTIVE MARCH 2024

| | <u>Requirements</u> | <u>Per Unit Cost</u> | <u>Amount</u> |
|---|---------------------|----------------------|---------------------|
| <u>RESIDENTIAL AND GENERAL SERVICE</u> | | | |
| <i>Demand Costs - MDDQ</i> | 183,113 | | |
| <i>Transportation & Storage Costs - Dk</i> | 16,803,353 | | |
| <i>Commodity Costs - Dk</i> | 16,803,353 | | |
| <i>Return on Rate Base</i> | | | |
| Demand Charges | | | \$123,974 |
| Prepaid Commodity Balances | | | 19,771 |
| Cycle Storage Balances | | | 726,853 |
| <i>Total Return</i> | | | <u>\$870,598</u> |
| <i>Total Gas Costs - North Dakota only</i> | | | <u>\$70,608,831</u> |
| <u>INTERRUPTIBLE</u> | | | |
| <i>Demand Costs - MDDQ</i> | 17,183 | | |
| <i>Transportation & Storage Costs - Dk</i> | 6,271,847 | | |
| <i>Commodity Costs - Dk</i> | 6,271,847 | | |
| <i>Return on Rate Base</i> | | | |
| Demand Charges | | | \$11,634 |
| Prepaid Commodity Balances | | | 1,855 |
| Cycle Storage Balances | | | 68,207 |
| <i>Total Return</i> | | | <u>\$81,696</u> |
| <i>Total Gas Costs - North Dakota only</i> | | | <u>\$17,649,786</u> |
| <u>AIR FORCE INTERRUPTIBLE</u> | | | |
| <i>Demand Costs - MDDQ</i> | 1,086 | | |
| <i>Transportation & Storage Costs - Dk</i> | 396,550 | | |
| <i>Commodity Costs - Dk</i> | 396,550 | | |
| <i>Return on Rate Base</i> | | | |
| Demand Charges | | | \$735 |
| Prepaid Commodity Balances | | | 117 |
| Cycle Storage Balances | | | 4,311 |
| <i>Total Return</i> | | | <u>\$5,163</u> |
| <i>Total Gas Costs - North Dakota only</i> | | | <u>\$1,115,870</u> |

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF CURRENT GAS COST ADJUSTMENT
TOTAL SYSTEM COSTS
EFFECTIVE MARCH 2024**

| | <u>Quantity</u> | | <u>Tariff Rate</u> | <u>Amount</u> |
|--|-------------------|-------------|--------------------|---------------------|
| System Demand Charges | | | | |
| Transportation Capacity Reservation (MDDQ) | | | | |
| WBI FT-1 | 371,998 | dk/Month | \$11.36247 | \$50,721,793 |
| WBI FT-1 (Valley Exp) | | dk/Month | 16.30144 | |
| WBI FT-1 (Black Hills Exp) | | dk/Month | 15.81667 | |
| WBI (Capacity Release) | | | 1/ | |
| NW T-FTG-1 | | dk/Month | 10.35657 | |
| Black Hills Gas | | dk/Month | 0.05325 | |
| South Dakota Interstate Pipeline | | dk/Month | 11.18633 | |
| Supplemental Transportation Capacity Reservation (MDDQ) | | | | |
| Northern Border | | dk/Month | 3.77170 | |
| Viking Gas Transmission | | dk/Month | 6.92260 | |
| Viking Gas Transmission (Release) 2/ | | dk/Month | 20.00000 | |
| Storage Capacity Reservation (MDDQ) | | | | |
| WBI FTN-1 | | dk/Month | 0.29045 | |
| WBI FS-1 Capacity Reservation | | dk/Month | 0.02632 | |
| WBI FS-1 Deliverability Reservation | | dk/Month | 2.18996 | |
| Total System Contracted Capacity | | MDDQ | | \$73,269,173 |
| System Commodity Charges | | | | |
| Transportation Charges | | | | |
| WBI FT-1 Commodity | | dk | \$0.02686 | |
| WBI FT-1 Commodity (Black Hills Exp) | | dk | 0.00140 | |
| NW T-FTG-1 Commodity | | dk | 0.04633 | |
| Black Hills Gas Commodity | | dk | 0.54000 | |
| Viking Gas Transmission | | dk | 0.01660 | |
| Fuel Charges | | | | |
| WBI - Fuel - Transportation | | dk | | |
| NW - Fuel - Transportation | | dk | | |
| NB - Fuel - Transportation | | dk | | |
| WBI - Electric Power | | dk | 0.00724 | |
| Viking - Electric Power | | dk | 0.03440 | |
| Storage Charges | | | | |
| WBI FS-1 Injection | | dk | 0.00959 | |
| WBI FS-1 Withdrawal | | dk | 0.00959 | |
| WBI - Fuel - Storage | | dk | | |
| WBI - Electric Power | | dk | 0.00421 | |
| Subtotal - Transportation Costs | | dk | | |
| Gas Commodity Charges | | | | |
| Gas Commodity | | dk | | |
| Total System Commodity Cost of Gas | 37,037,347 | dk | | \$86,959,725 |

1/ Capacity release estimated based on actual releases for the 12 months ending July 2023.

2/ Seasonal capacity release for November 2023 through March 2024.

**MONTANA-DAKOTA UTILITIES CO.
SUMMARY OF PIPELINE RATES**

Exhibit 4
Page 1 of 17

Pipeline Rate Changes Since The Last Filing Submitted

Viking Gas Transmission Co. Docket No. RP23-917-000

On July 28, 2023, Viking Gas Transmission Co. filed its rate case and proposed change in rates and revised tariff records in Docket No. RP23-917-000 to be effective February 1, 2024.

Approximate impact on Montana-Dakota's cost of gas: 2.9 cents per dk for North Dakota.

Black Hills Energy

On November 13, 2023, Black Hills Wyoming Gas LLC filed its Fuel and Lost and Unaccounted For Gas Percentages to be effective February 1, 2024.

Approximate impact on Montana-Dakota's cost of gas: 0.0 cents per dk for North Dakota.

Pipeline Rate Calculations

Calculation of Northern Border Rate - Exhibit 4, page 2

Calculation of Northwestern Energy Demand and Commodity Charges - Exhibit 4, page 3

Calculation of South Dakota Intrastate Pipeline Transportation Charges - Exhibit 4, page 4

Calculation of Black Hills Gas Transportation Charges - Exhibit 4, page 5

Schedule Of Applicable Effective Pipeline Rates

WBI Energy Transmission, Inc. - Exhibit 4, pages 6 - 11 for Schedules FT-1, FT-1 (Valley Expansion), FTN-1, and FS-1.

Northern Border Pipeline Company - Exhibit 4, page 12 for Schedule T-1.

NorthWestern Energy - Exhibit 4, page 13 for Schedule T-FTG-1.

South Dakota Intrastate Pipeline - Exhibit 4, page 14 for Rate 1.

Black Hills Gas Distribution, LLC - Exhibit 4, Page 15 for Schedule TC.

Viking Gas Transmission Company - Exhibit 4, Page 16 - 17 for Category 3 FT-A.

**MONTANA-DAKOTA UTILITIES CO.
CALCULATION OF NORTHERN BORDER RATE
EFFECTIVE MARCH 2024**

| | | |
|--|-----------|-------------------------------|
| Northern Border | 1/ | |
| Monchy to Mina Mileage | | 506.0943 |
| Maximum Rate (Daily) | | <u>\$0.0245</u> |
| Maximum Rate Per 100 Miles | | \$0.1240 |
| Northern Border Rate (dk/Month) | | <u><u>\$3.7717</u></u> |

1/ T-1 & T-1B Daily Reservation Rate, Port of Morgan, MT
to Ventura, IA effective January 1, 2020. See Exhibit 4, page 12.

**MONTANA-DAKOTA UTILITIES CO.
NORTHWESTERN ENERGY DEMAND AND COMMODITY CHARGES
EFFECTIVE MARCH 2024**

| <u>Demand:</u> | <u>Billing Determinants</u> | <u>Rate</u> | <u>Annual Charge</u> |
|--------------------------|---------------------------------|-------------|--------------------------|
| Monthly Meter Charges 1/ | 12 | \$787.50 | \$9,450 |
| MDDQ 2/ | 10,700 | 10.282970 | 1,320,333 |
| | | | 1,329,783 |
| Demand charge per dk | | | \$10.35657 |
| <u>Commodity: 3/</u> | | | \$0.04633 |

1/ One meter rated at >30,000 cubic feet per hour.

2/ Firm Transportation Reservation Rate (T-FTG-1), see Exhibit 4, page 13.
66th Revised Sheet No. 80.1, effective January 1, 2024.

3/ Firm Transmission Commodity Rate (T-FTG-1)
66th Revised Sheet No. 80.1, effective January 1, 2024.

| | |
|--------------------------|------------|
| Transportation (max) | \$0.060115 |
| GTAC | (0.013781) |
| Total T-FTG-1 Rate (max) | \$0.046334 |

**MONTANA-DAKOTA UTILITIES CO.
SOUTH DAKOTA INTRASTATE PIPELINE TRANSPORTATION CHARGES
EFFECTIVE MARCH 2024**

| <u>Demand:</u> | Monthly Rate 1/ | Daily Capacity 2/ | Total |
|-----------------------------------|--------------------|----------------------|------------|
| MDDQ | \$160,741.08 | | |
| Estimated Interruptible Credit 3/ | (34,000.00) | | |
| | 126,741.08 | 11,330 | \$11.18633 |

1/ SD Intrastate Pipeline 2nd Revised Sheet No. 1 effective November 1, 2019 through August 31, 2023, see Exhibit 4, page 14. The transportation rate is \$160,741.08 monthly effective September 1, 2023.

2/ The design day Dk for Montana-Dakota Utilities Co. on Firm Transportation Service. Design day volumes are not the total pipeline capacity. However, Montana-Dakota is the only firm customer on SDIP, therefore Montana-Dakota is contracted to pay the full monthly rate.

3/ Revenue credit based on expected 12 months of capacity offsets.

**MONTANA-DAKOTA UTILITIES CO.
BLACK HILLS GAS TRANSPORTATION CHARGES
EFFECTIVE MARCH 2024**

| <u>Demand:</u> | <u>Billing Determinants</u> | <u>Rate</u> | <u>Total</u> |
|----------------------------|---------------------------------|-------------|--------------|
| Administrative Fee 1/ | 12 | \$213 | \$2,556 |
| Demand charge per dk/Month | 4,000 | | \$0.05325 |
| <u>Commodity: 2/</u> | | | |
| Transportation | | | \$0.5400 |

1/ One meter @ \$114/meter and Off-system Firm Transport fee @ \$99/meter. Black Hills WY Gas Original Sheet No. 5, see Exhibit 4, page 15.

2/ Discount Agreement for Montana-Dakota Utilities Co. on Firm Transportation Service Agreement #6001729 effective November 1, 2022 through October 31, 2024.

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

| RATE SCHEDULE | UNIT | BASE TARIFF RATE | TOP THROUGHPUT SURCHARGE | GAS SUPPLY REALIGNMENT SURCHARGE | BASE TARIFF RATE PLUS SURCHARGES |
|--|---------------------------|---------------------|--------------------------------|--|--|
| ----- | | | | | |
| RATE SCHEDULE FT-1 | | | | | |
| ----- | | | | | |
| RESERVATION CHARGE | | | | | |
| MAXIMUM DAILY DELIVERY QUANTITY (MDDQ) | | | | | |
| MAXIMUM | RATE PER EQV. DKT PER MO. | 1136.247 | N.A. | N.A. | 1136.247 |
| MINIMUM | RATE PER EQV. DKT PER MO | 0.000 | N.A. | N.A. | 0.000 |
| COMMODITY CHARGE | | | | | |
| MAXIMUM A/B/C/ | RATE PER DKT | 2.546 | N.A. | N.A. | 2.546 |
| MINIMUM A/B/C/ | RATE PER DKT | 2.546 | N.A. | N.A. | 2.546 |
| SCHEDULED OVERRUN CHARGE | | | | | |
| MAXIMUM A/B/C/ | RATE PER DKT | 39.186 | N.A. | N.A. | 39.186 |
| MINIMUM A/B/C/ | RATE PER DKT | 2.546 | N.A. | N.A. | 2.546 |
| VOLUMETRIC CAPACITY RELEASE CHARGE | | | | | |
| MAXIMUM | RATE PER DKT | 37.356 | N.A. | N.A. | 37.356 |
| MINIMUM | RATE PER DKT | 0.000 | N.A. | N.A. | 0.000 |

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- A/ SHIPPER MUST REIMBURSE TRANSPORTER IN-KIND FOR TRANSPORTATION FUEL USE AND LOST AND UNACCOUNTED FOR GAS. THE APPLICABLE PERCENTAGES ARE REFLECTED ON SHEET NO. 21A. THESE PERCENTAGES SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.
 - B/ SHIPPER MUST REIMBURSE TRANSPORTER FOR ELECTRIC POWER USED FOR TRANSPORTATION. THE APPLICABLE RATE IS REFLECTED ON SHEET NO. 21B. THIS RATE SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.
 - C/ SHIPPER MUST REIMBURSE TRANSPORTER FOR THE ACA SURCHARGE. SUCH SURCHARGE SHALL BE THE ACA UNIT CHARGE SPECIFIED IN THE ANNUAL NOTICE ISSUED BY THE FERC ENTITLED "FY [YEAR] GAS ANNUAL CHARGES CORRECTION FOR ANNUAL CHARGES UNIT CHARGE."

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

| RATE SCHEDULE | UNIT | BASE TARIFF RATE | TOP THROUGHPUT SURCHARGE | GAS SUPPLY REALIGNMENT SURCHARGE | BASE TARIFF RATE PLUS SURCHARGES |
|---|---------------------------|------------------|--------------------------|----------------------------------|----------------------------------|
| ----- | | | | | |
| RATE SCHEDULE FT-1 (VALLEY EXPANSION) A/B | | | | | |
| ----- | | | | | |
| RESERVATION CHARGE | | | | | |
| MAXIMUM DAILY DELIVERY QUANTITY (MDDQ) | | | | | |
| MAXIMUM | RATE PER EQV. DKT PER MO. | 1630.144 | N.A. | N.A. | 1630.144 |
| MINIMUM | RATE PER EQV. DKT PER MO. | 0.000 | N.A. | N.A. | 0.000 |
| COMMODITY CHARGE | | | | | |
| MAXIMUM C/D/E/ | RATE PER DKT | 2.546 | N.A. | N.A. | 2.546 |
| MINIMUM C/D/E/ | RATE PER DKT | 2.546 | N.A. | N.A. | 2.546 |
| SCHEDULED OVERRUN CHARGE | | | | | |
| MAXIMUM C/D/E/ | RATE PER DKT | 39.186 | N.A. | N.A. | 39.186 |
| MINIMUM C/D/E/ | RATE PER DKT | 2.546 | N.A. | N.A. | 2.546 |
| VOLUMETRIC CAPACITY RELEASE CHARGE | | | | | |
| MAXIMUM | RATE PER DKT | 53.594 | N.A. | N.A. | 53.594 |
| MINIMUM | RATE PER DKT | 0.000 | N.A. | N.A. | 0.000 |

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- A/ APPLICABLE ONLY FOR INCREMENTAL CAPACITY CERTIFICATED IN DOCKET NO. CP17-257-000.
 - B/ REFER TO RATE SCHEDULE FT-1 FIRM TRANSPORTATION SERVICE FOR ALL TERMS AND CONDITIONS OF SERVICE.
 - C/ SHIPPER MUST REIMBURSE TRANSPORTER IN-KIND FOR TRANSPORTATION FUEL USE AND LOST AND UNACCOUNTED FOR GAS. THE APPLICABLE PERCENTAGES ARE REFLECTED ON SHEET NO. 21A. THESE PERCENTAGES SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.
 - D/ SHIPPER MUST REIMBURSE TRANSPORTER FOR ELECTRIC POWER USED FOR TRANSPORTATION. THE APPLICABLE RATE IS REFLECTED ON SHEET NO. 21B. THIS RATE SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.
 - E/ SHIPPER MUST REIMBURSE TRANSPORTER FOR THE ACA SURCHARGE. SUCH SURCHARGE SHALL BE THE ACA UNIT CHARGE SPECIFIED IN THE ANNUAL NOTICE ISSUED BY THE FERC ENTITLED "FY [YEAR] GAS ANNUAL CHARGES CORRECTION FOR ANNUAL CHARGES UNIT CHARGE."

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

| RATE SCHEDULE | UNIT | BASE TARIFF RATE | TOP THROUGHPUT SURCHARGE | GAS SUPPLY REALIGNMENT SURCHARGE | BASE TARIFF RATE PLUS SURCHARGES |
|--|---------------------------|---------------------|--------------------------------|--|--|
| ----- | | | | | |
| RATE SCHEDULE FTN-1 | | | | | |
| ----- | | | | | |
| RESERVATION CHARGE | | | | | |
| MAXIMUM DAILY DELIVERY QUANTITY (MDDQ) | | | | | |
| MAXIMUM | RATE PER EQV. DKT PER MO. | 29.045 | N.A. | N.A. | 29.045 |
| MINIMUM | RATE PER EQV. DKT PER MO. | 0.933 | N.A. | N.A. | 0.933 |
| VOLUMETRIC CAPACITY RELEASE CHARGE | | | | | |
| MAXIMUM | RATE PER DKT | 0.955 | N.A. | N.A. | 0.955 |
| MINIMUM | RATE PER DKT | 0.031 | N.A. | N.A. | 0.031 |

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

| RATE SCHEDULE | UNIT | BASE TARIFF RATE | TOP THROUGHPUT SURCHARGE | GAS SUPPLY REALIGNMENT SURCHARGE | BASE TARIFF RATE PLUS SURCHARGES |
|--------------------------------|---------------------------|---------------------|--------------------------------|--|--|
| ----- | | | | | |
| RATE SCHEDULE FS-1 | | | | | |
| ----- | | | | | |
| CAPACITY RESERVATION CHARGE | | | | | |
| MAXIMUM | RATE PER EQV. DKT PER MO. | 2.632 | N.A. | N.A. | 2.632 |
| MINIMUM | RATE PER EQV. DKT PER MO. | 0.000 | N.A. | N.A. | 0.000 |
| CAPACITY DELIVERABILITY CHARGE | | | | | |
| MAXIMUM | RATE PER EQV. DKT PER MO. | 218.996 | N.A. | N.A. | 218.996 |
| MINIMUM | RATE PER EQV. DKT PER MO. | 0.000 | N.A. | N.A. | 0.000 |
| INJECTION CHARGE | | | | | |
| MAXIMUM A/B/ | RATE PER DKT | 0.959 | N.A. | N.A. | 0.959 |
| MINIMUM A/B/ | RATE PER DKT | 0.959 | N.A. | N.A. | 0.959 |
| WITHDRAWAL CHARGE | | | | | |
| MAXIMUM A/B/ | RATE PER DKT | 0.959 | N.A. | N.A. | 0.959 |
| MINIMUM A/B/ | RATE PER DKT | 0.959 | N.A. | N.A. | 0.959 |
| SCHEDULED OVERRUN CHARGE | | | | | |
| INJECTION | | | | | |
| MAXIMUM A/B/ | RATE PER DKT | 21.674 | N.A. | N.A. | 21.674 |
| MINIMUM A/B/ | RATE PER DKT | 0.959 | N.A. | N.A. | 0.959 |
| WITHDRAWAL | | | | | |
| MAXIMUM A/B/ | RATE PER DKT | 21.674 | N.A. | N.A. | 21.674 |
| MINIMUM A/B/ | RATE PER DKT | 0.959 | N.A. | N.A. | 0.959 |

-
- A/ SHIPPER MUST REIMBURSE TRANSPORTER IN-KIND FOR STORAGE FUEL USE AND LOST AND UNACCOUNTED FOR GAS. THE APPLICABLE PERCENTAGES ARE REFLECTED ON SHEET NO. 21A. THESE PERCENTAGES SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS INJECTED AND/OR WITHDRAWN BY TRANSPORTER FOR SHIPPER'S ACCOUNT AT TRANSPORTER'S STORAGE FACILITIES.
- B/ SHIPPER MUST REIMBURSE TRANSPORTER FOR ELECTRIC POWER USED FOR STORAGE. THE APPLICABLE RATE IS REFLECTED ON SHEET NO. 21B. THIS RATE SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS INJECTED AND/OR WITHDRAWN BY TRANSPORTER FOR SHIPPER'S ACCOUNT AT TRANSPORTER'S STORAGE FACILITIES.

NOTICE OF CURRENTLY EFFECTIVE RATES

 FUEL USE AND LOST AND UNACCOUNTED FOR GAS ("L&U") REIMBURSEMENT PERCENTAGES

TRANSPORTATION - RATE SCHEDULES FT-1 AND IT-1

| | <u>CURRENT PERCENTAGE</u> | <u>DEFERRAL PERCENTAGE</u> | <u>TOTAL PERCENTAGE</u> |
|------------------------|-------------------------------|--------------------------------|-----------------------------|
| Integrated System | | | |
| FUEL USE REIMBURSEMENT | 1.059% | (0.184)% | 0.875% |
| L&U REIMBURSEMENT | 0.397% | (0.158)% | 0.239% |
| North Badlands System | | | |
| FUEL USE REIMBURSEMENT | 0.000 | 0.000 | 0.000 |
| L&U REIMBURSEMENT | (0.195) | 0.000 | (0.195) |
| Round Prairie System | | | |
| FUEL USE REIMBURSEMENT | 0.000 | 0.000 | 0.000 |
| L&U REIMBURSEMENT | (0.354) | 0.000 | (0.354) |

STORAGE - RATE SCHEDULES FS-1 AND IS-1

| | <u>CURRENT PERCENTAGE</u> | <u>DEFERRAL PERCENTAGE</u> | <u>TOTAL PERCENTAGE</u> |
|------------------------|-------------------------------|--------------------------------|-----------------------------|
| FUEL USE REIMBURSEMENT | 0.706% | (0.214)% | 0.492% |
| L&U REIMBURSEMENT | 0.166% | 0.064% | 0.230% |

NOTICE OF CURRENTLY EFFECTIVE RATES

ELECTRIC POWER REIMBURSEMENT RATES (CENTS/DKT)

TRANSPORTATION - RATE SCHEDULES FT-1 AND IT-1

| | <u>CURRENT RATE</u> | <u>DEFERRAL RATE</u> | <u>TOTAL RATE</u> |
|---|-------------------------|--------------------------|-----------------------|
| Integrated System ELECTRIC POWER REIMBURSEMENT | 0.641 | 0.083 | 0.724 |
| North Badlands System ELECTRIC POWER REIMBURSEMENT | 0.000 | 0.000 | 0.000 |
| Round Prairie System ELECTRIC POWER REIMBURSEMENT | 0.000 | 0.000 | 0.000 |

STORAGE - RATE SCHEDULES FS-1 AND IS-1

| | <u>CURRENT RATE</u> | <u>DEFERRAL RATE</u> | <u>TOTAL RATE</u> |
|------------------------------|-------------------------|--------------------------|-----------------------|
| ELECTRIC POWER REIMBURSEMENT | 0.364 | 0.057 | 0.421 |

STATEMENT OF RATES

| Rate Schedule ----- | Long-Term Base Tariff Rate (per 100 Dth-Miles) 1/ ----- |
|--|--|
| T-1 and T-1B | |
| Daily Reservation Rate - Port of Morgan, MT to Ventura, IA | |
| Maximum | \$0.0245 |
| Minimum | \$0.0000 |
| Daily Reservation Rate - Ventura, IA to North Hayden, IN | |
| Maximum | \$0.0263 |
| Minimum | \$0.0000 |
| Commodity Rate - Port of Morgan, MT to North Hayden, IN | |
| Maximum | \$0.0004 |
| Minimum | \$0.0004 |

1/ Applicable to any Rate Schedule T-1 U.S. Shippers Service Agreement or any Rate Schedule T-1B Service Agreement with a primary term of at least twelve consecutive months.

NATURAL GAS TARIFF



Canceling $\frac{66^{\text{th}}}{65^{\text{th}}}$ Revised Revised Sheet No. 80.1
Sheet No. 80.1

Schedule No. T-FTG-1

TRANSPORTATION BUSINESS UNIT
FIRM TRANSPORTATION NATURAL GAS SERVICE

APPLICABILITY: Applicable to Shippers for firm transportation service on the Utility Transmission System under the terms of a Firm Gas Transportation Service Agreement (Agreement) between the Utility Transportation Business Unit (Utility) and Shipper and as subject to Rate Schedule General Terms and Operating Conditions (Rate Schedule GTC-1).

| | <u>Total Rate</u> | <u>Tax Portion of Rate</u> | <u>Rate Without Tax</u> |
|------------------------------------|-------------------|----------------------------|-------------------------|
| RATES: Net Monthly Bill: | | | |
| Monthly Service Charge per Meter: | | | |
| Meters Rated @ Cu. Ft. per hour | | | |
| 5,000 to 10,000 | \$ 247.00 | | \$ 247.00 |
| 10,001 to 30,000 | \$ 354.90 | | \$ 354.90 |
| >30,000 | \$ 787.50 | | \$ 787.50 |

PLUS:

Transmission Reservation Rate (MDDQ):

Maximum Monthly Reservation Rate for
Maximum Daily Delivery Quantity (MDDQ)

\$ 1.0282970 \$ 0.2092458 \$ 0.8190512

Transmission Commodity Rate (Therm):

Maximum

\$ 0.0060115 \$ 0.0018241 \$ 0.0041874

Minimum

\$ 0.0017935 \$ 0.0017935

GTAC Amortization

\$ (0.0013781) \$ (0.0013781)

Balancing Penalty Rate

Higher of \$25.00/ Dekatherm Or
150% of Market Price

TAX PORTION OF RATE: This rate represents the amount charged to customers for state and local taxes and fees and is separately disclosed on customer's bill.

PLUS:

OTHER APPLICABLE CHARGES: All charges contained on other applicable rate schedules approved by the Public Service Commission of Montana.

GAS TRANSPORTATION ADJUSTMENT CLAUSE: Pursuant to MPSC Order the above GTAC Amortization shall be in effect until the balance is extinguished.

MINIMUM BILL: Per respective contracts.

(continued)

Docket No.: 2023.12.100
Staff Approved: December 19, 2022
Per Section MCA 69-3-308(2)(b)

Effective for services rendered on or after
January 1, 2024

/s/ Tarin Slayton
Paralegal



**STATE OF SOUTH DAKOTA
GAS RATE SCHEDULE**

South Dakota Intrastate Pipeline Company
1415 North Airport Road
Pierre, SD 57501

SD P.U.C. Section 3
2nd Revised Sheet No. 1
Cancelling 1st Revised Sheet No. 1

FIRM TRANSPORTATION SERVICE Rate 1

Transportation rate is \$170,620.58 monthly for Firm Service effective November 1, 2019 through August 31, 2023. I

The Transportation rate is \$160,741.08 monthly for Firm Service effective September 1, 2023, if Transporter has not submitted a new application for rates, with an effective date prior to August 31, 2023. I

Revenue credits shall be applicable as set forth in the Contract for Firm Transportation Service. Service under this Firm Transportation Service Schedule shall be subject to the General Terms And Conditions as stated in Section 5. N
N

Date Filed: October 23, 2019

Effective Date: November 1, 2019

Issued by Lisa A. Murphy, Vice President-Chief Financial Officer

Docket No.: NG17-009



STATEMENT OF RATES AND CHARGES
Firm and Interruptible Transportation Service Rates

| Service | Monthly Charge | Base Volumetric Charge | Maximum Volumetric Charge |
|------------------------------------|----------------|------------------------|---------------------------|
| On-System Firm Transport | \$198.00 | \$0.1446 | \$0.1446 |
| Off-System Firm Transport | \$99.00 | \$0.1446 | \$0.1446 |
| Off-System Interruptible Transport | \$99.00 | \$0.1446 | \$0.1446 |
| Administrative Fee | \$114.00 | | |
| Unauthorized Overrun Charge | | | \$0.8000 |
| Supply Scheduling Charge | | | \$0.0060 |
| Wyoming Integrity Rider | | | \$0.0186 |

All volumetric charges are per therm.

Interruptible Transportation Service is not available to On-System customers.

Wyoming Integrity Rider is applicable to all maximum rate On-System Transportation Service customers.

The Minimum Rate for Transportation Service is \$0.0010 per therm.

Fuel and Lost and Unaccounted For Gas Percentages:

Casper Division

Transmission Fuel and Lost and Unaccounted For Gas percentage = 0.197%
Storage Injection Fuel and Lost and Unaccounted For Gas percentage = 2.573%
Choice Gas Program Service Distribution Fuel and Lost and Unaccounted For Gas Reconciliation percentage = 0.000%
Distribution and Gas Cost Adjustment Fuel and Lost and Unaccounted For Gas percentage = 0.000%

Cheyenne Division

Distribution and Gas Cost Adjustment Fuel and Lost and Unaccounted For Gas percentage = 1.279%

Cody Division

Transmission and Gas Cost Adjustment Fuel and Lost and Unaccounted For Gas percentage = 2.318%

Gillette Division

Transmission Fuel and Lost and Unaccounted For Gas percentage = 0.350%
Choice Gas Program Service Distribution Fuel and Lost and Unaccounted for Gas Reconciliation percentage = 0.000%
Distribution and Gas Cost Adjustment Fuel and Lost and Unaccounted for Gas percentage = 0.834%

Torrington Division

Choice Gas Program Service Distribution Fuel and Lost and Unaccounted For Gas Reconciliation percentage = 2.739%
Distribution and Gas Cost Adjustment Fuel and Lost and Unaccounted For Gas percentage = 2.291%

STATEMENT OF RATES
 (Rates Per Dekatherm)

Currently Effective Term-Differentiated Rates

| Rate Schedule | Base Tariff Rate |
|---|------------------------|
| <u>Category 1 (Contract Term of Less than 3 Years)</u> | |
| Monthly Reservation Rates | |
| FT-A | |
| Zone 1-1 Maximum Rate | \$7.4132 |
| Zone 1-1 Minimum Rate | \$0.0000 |
| Zone 1-2 Maximum Rate ^{1/} | \$9.7174 |
| Zone 1-2 Minimum Rate | \$0.0000 |
| Zone 2-2 Maximum Rate | \$4.4132 |
| Zone 2-2 Minimum Rate | \$0.0000 |
| <u>Category 2 (Contract Term of 3 Years to less than 5 Years)</u> | |
| Monthly Reservation Rates | |
| FT-A | |
| Zone 1-1 Maximum Rate | \$7.1679 |
| Zone 1-1 Minimum Rate | \$0.0000 |
| Zone 1-2 Maximum Rate | \$9.3653 |
| Zone 1-2 Minimum Rate | \$0.0000 |
| Zone 2-2 Maximum Rate | \$4.3064 |
| Zone 2-2 Minimum Rate | \$0.0000 |
| <u>Category 3 (Contract Term of 5 or more Years)</u> | |
| Monthly Reservation Rates | |
| FT-A | |
| Zone 1-1 Maximum Rate | \$6.9226 |
| Zone 1-1 Minimum Rate | \$0.0000 |
| Zone 1-2 Maximum Rate | \$9.0132 |
| Zone 1-2 Minimum Rate | \$0.0000 |
| Zone 2-2 Maximum Rate | \$4.1996 |
| Zone 2-2 Minimum Rate | \$0.0000 |

^{1/} Throughout Viking's Statement of Rates and Tariff, "Zone 1-2" shall mean Transportation Service for quantities received in Zone 1 and delivered in Zone 2 or received in Zone 2 and delivered in Zone 1 whether by transport, exchange, or Displacement.

| Rate Schedule | Base Tariff Rate | Electric Power Cost Recovery Adjustment 2/ | Fuel and Loss Retention Percentages 3/ |
|----------------------|------------------------|--|--|
| Commodity Rates 1/ | | | |
| FT-A – Maximum Rates | | | |
| Zone 1-1 | \$0.0152 | \$0.0344 | 0.13% |
| Zone 1-2 | \$0.0152 | \$0.0344 | 0.14% |
| Zone 2-2 | \$0.0152 | \$0.0344 | 0.01% |
| Minimum Rate | \$0.0152 | | |
| IT and AOT | | | |
| Zone 1-1 | \$0.2589 | \$0.0344 | 0.13% |
| Zone 1-2 | \$0.3347 | \$0.0344 | 0.14% |
| Zone 2-2 | \$0.1603 | \$0.0344 | 0.01% |
| Minimum Rate | \$0.0152 | | |

- 1/ Pursuant to Section 19 of the General Terms and Conditions, the maximum and minimum commodity rates shall be increased to include the Commission-authorized Annual Charge Adjustment unit rate as published on the Commission’s Web Site located at <http://www.ferc.gov>.
- 2/ The Electric Power Cost Recovery Adjustment shall be applicable to all transportation rate schedules.
- 3/ The Fuel and Loss Retention Percentages shall be applicable to all transportation rate schedules and includes the following Gas Lost and Unaccounted For Percentages: 0.00% for Zone 1-1, 0.00% for Zone 1-2, and 0.00% for Zone 2-2. Transportation entirely by Displacement will incur only the Gas Lost and Unaccounted For Percentages.

| Rate Schedule | Base Tariff Rate | Adjustment Under Section 27 1/ | Rate After Current Adjustment |
|---|------------------------|--------------------------------------|-------------------------------------|
| LMS – Monthly Demand Rate | \$1.0000 | | \$1.0000 |
| LMS – Daily Overrun Rate | \$0.3347 | | \$0.3347 |
| LMS – Load Management Cost Reconciliation Adjustment | | \$0.0390 | |

- 1/ Pursuant to Section 27 of the General Terms and Conditions of this Tariff, a mechanism is established to reconcile through surcharges or credits to the Rate Schedule LMS rate, as appropriate, differences between the cost to maintain Company’s line pack gas and the amounts Company receives or pays for such gas arising out of the purchase and sale of such gas.

| Rate Schedule | Maximum Rate Per Dekatherm | Minimum Rate Per Dekatherm |
|----------------------------|----------------------------------|----------------------------------|
| PAL | | |
| NPL, OPL, and APL Service: | | |
| Daily Commodity Rate | \$0.3347 | \$0.0000 |
| RPL Service: | | |
| Daily Reservation Rate | \$0.3347 | \$0.0000 |

**MONTANA-DAKOTA UTILITIES CO.
RETURN ON CYCLE STORAGE BALANCES
AND PREPAID DEMAND AND COMMODITY BALANCES
NORTH DAKOTA GAS
EFFECTIVE MARCH 2024**

| | General Service | | |
|--------------------|-----------------------|------------------------------------|----------------------|
| | Storage Balance 1/ | Prepaid Commodity Balance 2/ | Prepaid Demand 1/ |
| October 2023 | \$8,351,380 | \$360,836 | \$6,154,613 |
| November | 7,415,098 | 334,023 | 5,013,610 |
| December | 12,246,196 | 301,085 | 2,482,892 |
| January 2024 | 10,103,364 | 248,466 | (444,741) |
| February | 4,120,551 | 107,121 | (2,704,002) |
| March | 2,599,108 | 71,183 | (3,925,343) |
| April | 2,559,666 | 70,251 | (3,647,267) |
| May | 4,425,058 | 114,314 | (2,104,943) |
| June | 7,062,537 | 176,614 | (16,254) |
| July | 9,895,704 | 243,537 | 2,054,034 |
| August | 12,876,608 | 308,159 | 4,124,322 |
| September | 15,493,887 | 365,089 | 5,967,923 |
| October | 15,864,768 | 373,321 | 6,321,098 |
| 13 month average | <u>\$8,693,379</u> | <u>\$236,461</u> | <u>\$1,482,765</u> |
| Rate of Return | 6.851% | 6.851% | 6.851% |
| Return | \$595,583 | \$16,200 | \$101,584 |
| Return Requirement | <u>\$726,853</u> | <u>\$19,771</u> | <u>\$123,974</u> |

1/ Allocated on percent of Contracted Capacity.

2/ Allocated on Total Normalized Firm Dk Deliveries.

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED GAS COST ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
FIRM**

| | (Over) Under Recovery | Refunds & Other | Interest 1/ | Total Net Additions | Actual Dk Sales | Adjustment Per Dk | Total Adjustment Amount | Net Change- Additions less Adjustment | Cumulative Balance |
|-----------------------------------|--------------------------|--------------------|-------------|------------------------|--------------------|----------------------|-------------------------------|---|-----------------------------|
| Balance @ July 31, 2023 | | | | | | | | | <u>(\$5,993,231)</u> |
| August | (\$127,214) | \$0 | (\$27,136) | (\$154,350) | 283,794 | \$0.392 | \$111,247 | (\$265,597) | (6,258,828) |
| September | (133,458) | 0 | (28,293) | (161,751) | 291,280 | 0.392 | 114,181 | (275,932) | (6,534,760) |
| October | (128,897) | 0 | (29,499) | (158,396) | 451,635 | (0.368) | 45,344 2/ | (203,740) | (6,738,500) |
| November | (173,269) | 0 | (29,869) | (203,138) | 1,257,071 | (0.368) | (462,602) | 259,464 | (6,479,036) |
| December | (919,558) | 0 | (28,391) | (947,949) | 1,959,849 | (0.368) | (721,224) | (226,725) | (6,705,761) |
| Balance @December 31, 2023 | | | | | | | | | <u>(\$6,705,761)</u> |

1/ Interest calculated at Three Month Treasury Bill rate.

2/ Reflects 278,349 dk @ \$0.392 and 173,286 dk @ (\$0.368).

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED GAS COST ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
INTERRUPTIBLE**

| | (Over) Under Recovery | Refunds & Other | Interest 1/ | Total Net Additions | Actual Dk Sales | Adjustment Per Dk | Total Adjustment Amount | Net Change- Additions less Adjustment | Cumulative Balance |
|-----------------------------------|--------------------------|--------------------|-------------|------------------------|--------------------|----------------------|-------------------------------|---|---------------------------|
| Balance @ July 31, 2023 | | | | | | | | | <u>(\$245,864)</u> |
| August | \$5,378 | \$0 | (\$1,124) | \$4,254 | 20,972 | \$0.829 | \$17,386 | (\$13,132) | (258,996) |
| September | 3,004 | 0 | (1,181) | 1,823 | 23,126 | 0.829 | 19,171 | (17,348) | (276,344) |
| October | (3,275) | 0 | (1,257) | (4,532) | 35,275 | (0.414) | 17,037 2/ | (21,569) | (297,913) |
| November | 7,112 | 0 | (1,329) | 5,783 | 143,191 | (0.414) | (59,281) | 65,064 | (232,849) |
| December | (305,314) | 0 | (1,024) | (306,338) | 146,624 | (0.414) | (60,702) | (245,636) | (478,485) |
| Balance @December 31, 2023 | | | | | | | | | <u>(\$478,485)</u> |

1/ Interest calculated at Three Month Treasury Bill rate.

2/ Reflects 25,455 dk @ \$0.829 and 9,820 dk @ (\$0.414).

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED GAS COST ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
AIR FORCE**

| | <u>(Over) Under Recovery</u> | <u>Refunds & Other</u> | <u>Interest 1/</u> | <u>Total Net Additions</u> | <u>Actual Dk Sales</u> | <u>Adjustment Per Dk</u> | <u>Total Adjustment Amount</u> | <u>Net Change- Additions less Adjustment</u> | <u>Cumulative Balance</u> |
|-----------------------------------|----------------------------------|--------------------------------|--------------------|--------------------------------|----------------------------|------------------------------|--|--|-------------------------------|
| Balance @ July 31, 2023 | | | | | | | | | <u>(\$169,413)</u> |
| August | (\$1,265) | \$0 | (\$773) | (\$2,038) | 5,190 | \$0.906 | \$4,701 | (\$6,739) | (176,152) |
| September | 4,087 | 0 | (803) | 3,284 | 5,226 | 0.906 | 4,735 | (1,451) | (177,603) |
| October | (163) | 0 | (809) | (972) | 6,666 | (0.396) | 6,038 2/ | (7,010) | (184,613) |
| November | (5,235) | 0 | (825) | (6,060) | 25,853 | (0.396) | (10,237) | 4,177 | (180,436) |
| December | (1,676) | 0 | (797) | (2,473) | 40,013 | (0.396) | (15,845) | 13,372 | (167,064) |
| Balance @December 31, 2023 | | | | | | | | | <u>(\$167,064)</u> |

1/ Interest calculated at Three Month Treasury Bill rate.

2/ Reflects 6,666 dk @ \$0.906 and 0 dk @ (\$0.396).

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED GAS COST ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
CONTRACTED DEMAND**

| | (Over) Under Recovery | Refunds & Other | Interest 1/ | Total Net Additions | Actual Dk Sales | Adjustment Per Dk | Total Adjustment Amount | Net Change- Additions less Adjustment | Cumulative Balance |
|-----------------------------------|--------------------------|--------------------|-------------|------------------------|--------------------|----------------------|-------------------------------|---|--------------------------------|
| Balance @ July 31, 2023 | | | | | | | | | <u><u>\$195,316</u></u> |
| August | (\$10,808) | \$0 | \$799 | (\$10,009) | 15,398 | \$1.436 | \$22,111 | (\$32,120) | 163,196 |
| September | 2,532 | 0 | 656 | 3,188 | 12,896 | 1.436 | 18,520 | (15,332) | 147,864 |
| October | (665) | 0 | 588 | (77) | 13,061 | 0.792 | 18,226 2/ | (18,303) | 129,561 |
| November | 58,173 | 0 | 498 | 58,671 | 12,256 | 0.792 | 9,707 | 48,964 | 178,525 |
| December | (76,376) | 0 | 710 | (75,666) | 18,652 | 0.792 | 14,773 | (90,439) | 88,086 |
| Balance @December 31, 2023 | | | | | | | | | <u><u>\$88,086</u></u> |

1/ Interest calculated at Three Month Treasury Bill rate.

2/ Reflects 12,239 dk @ \$1.436 and 822 dk @ \$0.792.