



New Gas Rates Effective for Phase 3 of the Rate Consolidation North District

In 2015, Great Plains Natural Gas Co. (Great Plains) filed a request for an increase in natural gas rates with the Minnesota Public Utilities Commission (MPUC). In September 2016, the MPUC approved final rates associated with Great Plains' request, and the new rates were effective with service rendered on and after January 1, 2017. As a part of its 2016 decision, the MPUC also approved the consolidation of the North and South Distribution rates in three phases.

The rate consolidation recognizes that the cost of providing service is the same in the two rate areas, and therefore the rates should be the same. The second phase of this process was implemented on January 1, 2018. The third and final phase of this process was implemented on January 1, 2019.

The following chart shows how the rate change affects the average monthly bills for the various rate classes. However, how this rate affects your individual monthly bill will

(cont. on back)

vary depending on your actual gas consumption for the month. It is also important to remember your monthly bill will vary due to changes in the cost of gas itself.

Average Monthly Bill Cost by Customer Class

| <u>Customer Class</u> | <u>Avg. Monthly Usage In Dk</u> | <u>Avg. Monthly Bill (Current) Phase 2*</u> | <u>Avg. Monthly Bill Phase 3*</u> |
|------------------------------|---------------------------------|---|-----------------------------------|
| Residential | 7 | \$62.13 | \$61.21 |
| Small Firm | | | |
| General Service | 13 | 118.89 | 117.43 |
| Large Firm | | | |
| General Service | 72 | 559.58 | 551.48 |
| Interruptible Sales Service | | | |
| Small Volume | 405 | 2,582.82 | 2,579.33 |
| Interruptible Sales Service | | | |
| Large Volume | 4,521 | 25,951.33 | 24,551.17 |
| Interruptible Transportation | | | |
| Small Volume | 1,530 | 2,188.24 | 2,175.08 |
| Interruptible Transportation | | | |
| Large Volume | 13,050 | 12,764.51 | 8,722.93 |

**Reflects gas costs as of November 1, 2018.*

Prorated Bill: The first bill you receive may be prorated, depending on the date your meter was read. Bills are prorated to reflect rates in effect at the time service is actually rendered rate, rather than when your bill processed. This means that any gas used after January 1, 2019 will be billed at the new rates.

Great Plains' rates, rules and regulations are on file at its offices and are available for inspection upon request. Contact a Great Plains' representative at the telephone number shown on your bill if you have any questions or would like to obtain additional information.