

standpoint that are clear enough to be recognized from the cost of service perspective to the point a new customer class is warranted. Great Plains is proposing to move thirty customers currently served under the Small Interruptible Sales Rate 71 and two customers served under the Large Interruptible Sales Rate 85 to this new rate class.

What is the process for reviewing Great Plains request?

The MPUC, the Minnesota Department of Commerce, the Office of the Attorney General-Residential Utilities and Antitrust Division, public interest groups, and customers will review our proposal.

The MPUC will hold public hearings and accept written comments about our rate request. Customers and others may comment in writing or verbally on our rate increase request at the public hearings. Notice of the public hearing dates and locations will be published in local newspapers, in bill inserts, and at <http://www.gpng.com/rates-and-services/rate-cases>

SUBMIT COMMENTS

You may submit written comments to:

Minnesota Public Utilities Commission

121 7th Place East, Suite 350
St. Paul, MN 55101-2147
Phone: 651-296-0406 or 800-657-3782
Email: consumer.puc@state.mn.us

Be sure to reference MPUC Docket No. G-004/GR-19-511 in all correspondence or requests.

How to Learn More

Great Plains current and proposed rate schedules are available at:

• Great Plains Natural Gas Co.

Online:
<http://www.gpng.com/rates-and-services/rate-cases>
Great Plains' Offices:

Please call to schedule an appointment:
1-877-267-4764.

• Minnesota Department of Commerce

85 7th Place East, Suite 500
St. Paul, MN 55101
Phone 651-539-1534

Web:

<https://www.edockets.state.mn.us/EFiling/search.jsp>
select 19 in the year field, type 511 in the number field, select Search, and the list of documents will appear on the next page.

How to Participate

Anyone who wishes to formally intervene in this case should contact:

Minnesota Office of Administrative Hearings

P.O. Box 64620
St. Paul, MN 55164-0620
Phone: 651-361-7900

You do not need to contact the Minnesota Office of Administrative Hearings if you simply want to attend the public hearings, provide oral comments at the public hearing or submit comment letters.

You will also have the opportunity to provide written comments directly to the Administrative Law Judge that hears this case during the contested case proceeding.

Citizens with hearing or speech disabilities may call through their preferred Telecommunications Relay Service.



In the Community to Serve®

NEW INTERIM RATES

Effective January 1, 2020



Great Plains Natural Gas Co. (Great Plains) has asked the Minnesota Public Utilities Commission (MPUC) to increase its rates for natural gas distribution service. The requested increase is for approximately 12% or \$2,860,839 overall. This increase, if approved, would add about \$7.05 to an average Residential customer's monthly bill.

While the MPUC reviews Great Plains' request, state law allows Great Plains to collect higher rates on an interim (temporary) basis. The net impact of the interim rate increase is approximately 11% more than current rates or \$2,587,772 per year. This amount is the \$3,366,855 interim revenue deficiency offset by a \$790,153 reduction in Gas Utility Infrastructure Charges. This increase appears on your bill as the Interim Increase.

The MPUC is expected to make its decision on our request in 2020. If final rates are lower than interim rates, we will refund customers the difference with interest. If final rates are higher than interim rates, we will not charge customers the difference.

Why is Great Plains asking for an increase?

Our last request for a rate increase was in September 2015. Since that time, we have increased capital investments in the Minnesota system's distribution facilities to improve system safety and reliability. The additional investment has generally increased the associated depreciation, taxes, and operation and maintenance expenses.

Here's how that rate change will affect monthly bills:

The proposed rate changes will affect individual monthly bills differently depending on natural gas use and customer type/rate class. Bills will also vary because the wholesale cost of natural gas changes

each month. Customers' bills contain several parts: Basic Service Charge, Distribution Charge, Cost of Gas, various Rate Riders and applicable state, city, county and franchise taxes. The proposed Basic Service Charge and Distribution Charge cover the cost of delivering natural gas service to our customers. This rate increase does not affect the Cost of Gas. The Cost of Gas covers wholesale gas costs and interstate pipeline costs. The Cost of Gas is passed through directly to customers without mark-up.

The Chart below shows the current and proposed rates for each customer class:

Customer Class	Average Monthly Usage (in Dk)	Average Monthly Bill Current Rates	Average Monthly Bill Interim Rates 1/	Average Monthly Bill Proposed Rates
Residential.....	7	\$46.42	\$51.15	\$53.50
Firm General Service - (meters < 500 cubic feet/hr)....	12	86.28	97.42	97.86
Firm General Service - (meters > 500 cubic feet/hr)....	83	468.30	500.67	523.94
Small Interruptible Sales.....	354	1,645.01	1,779.77	1,685.82
Large Interruptible Sales	4,281	15,785.44	16,238.18	15,835.81
Interruptible Transportation				
Small.....	1,182	1,606.58	2,045.61	1,862.40
Large	7,957	4,661.18	6,239.40	5,380.53
Interruptible Grain Drying				
Previously under Rate 71	553	2,490.70	2,673.40	2,754.40
Previously under Rate 85....	1,932	\$7,250.48	\$7,498.09	\$8,504.15

1/ The Gas Utility Infrastructure charge will be set at \$0.00 effective with the implementation of interim rates.

Basic Service Charge and Distribution Charge

Customers are billed for natural gas delivery service in two ways. The first is a monthly Basic Service

Charge, which covers a portion of fixed costs that do not change with the amount of natural gas used. The second is the Distribution Charge, a per dekatherm (Dk) charge which recovers the costs not included in the Basic Service Charge. The total Distribution Charge amount changes each month based on the amount of natural gas used.

Great Plains is asking to increase the Basic Service Charge for most of its customers. Great Plains proposes to increase the Residential Basic Service Charge from \$7.50 per month to \$0.296 per day or an average of \$9.00 per month. Great Plains is also requesting an increase in the Residential Distribution Charge from \$1.6545 to \$2.7515 per Dk.

Customer Charge (Per Month)	Current Customer Charge	Proposed Daily or Monthly Customer Charge	Current Distribution Charge/Dk	Proposed Distribution Charge/Dk
Residential	\$7.50	\$0.296 Daily	\$1.6545	\$2.7515
Firm General Service - (meters < 500 cubic feet/hr).....	\$23	\$0.904 Daily	\$1.3193	\$2.1189
Firm General Service - (meters > 500 cubic feet/hr)	\$28.50	\$1.151 Daily	\$1.3193	\$2.1189
Small Interruptible Sales.....	\$145	\$150 Monthly	\$1.1444	\$1.4238
Large Interruptible Sales	\$230	\$500 Monthly	\$0.5763	\$0.6657
Interruptible Transportation				
Small.....	\$200	\$250 Monthly	\$1.1444	\$1.4238
Large.....	\$260	\$560 Monthly	\$0.5763	\$0.6657
Interruptible Grain Drying				
Previously under Rate 71.....	\$145	\$450 Monthly	\$1.1444	\$1.2478
Previously under Rate 85 ..	\$230	\$450 Monthly	\$0.5763	\$1.2478

Other Proposed Changes

A new Interruptible Grain Drying customer class is proposed in this rate case. This group of customers has unique characteristics from an operations

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