

**How to learn more**

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.**



**Great Plains Natural Gas Co.  
North District**

**NEW NATURAL GAS  
DISTRIBUTION RATES  
APPROVED IN 2020**

**Changes begin with the enclosed bill**

In September 2019, Great Plains Natural Gas Co. (Great Plains) asked the Minnesota Public Utilities Commission (MPUC) to change its rates for utility distribution service. The filing, known as a rate case, sought to increase Great Plains annual revenues by \$2.9 million or about 12 percent.

**MPUC approved new rates**

The MPUC approved an annual revenue increase of approximately \$2.7 million, or 11.5 percent in October 2020 with new rates effective on April 1, 2021. Because of different Revenue Decoupling Mechanism (RDM) rates established under the former North District and South District rate areas, customers will have a different bill impact at the time the rates go into effect. This RDM rate differential will continue through 2021.

**Rates vary by customer**

Rate changes will affect individual monthly bills differently depending on natural gas use and customer class. The effect on an average residential customer's bill who uses approximately 81 dk per year will be an increase of approximately \$6.66 per month.

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 Basic Service Charge and Distribution Charge cover the cost of delivering natural gas service to our customers. 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. This rate increase does not affect the Cost of Gas.

<u>Customer Class</u>	<u>Monthly Basic Service Charge</u>		<u>Distribution Delivery Charge per dk</u>	
	<u>Old</u>	<u>New</u>	<u>Old</u>	<u>New</u>
Residential.....	\$7.50	\$7.50	\$1.6545	\$3.0171
Firm General				
(meter < 500 cubic ft./hr).....	\$23.00	\$23.00	\$1.3193	\$2.4685
(meter > 500 cubic ft./hr).....	\$28.50	\$28.50	\$1.3193	\$2.4685
Interruptible Sales Service –				
Small Volume.....	\$145.00	\$145.00	\$1.1444	\$1.9219
Large Volume.....	\$230.00	\$230.00	\$0.5763	\$0.9007
Interruptible Transportation –				
Small Volume.....	\$200.00	\$200.00	\$1.1444	\$1.9219
Large Volume.....	\$260.00	\$260.00	\$0.5763	\$0.9007
Interruptible Grain Drying (currently served under Small Interruptible Sales Service)				
.....	\$145.00	\$230.00	\$1.1444	\$1.6611
Interruptible Grain Drying (currently served under Large Interruptible Sales Service)				
.....	\$260.00	\$230.00	\$0.5763	\$1.6611

**The Chart below shows a comparison of the current and new rates for each customer class:**

<u>Customer Class</u>	<u>Average Monthly Usage (in dk)</u>	<u>Average Monthly Bill Old Rates</u>	<u>Average Monthly Bill New Rates</u>
Residential.....	7	\$45.54	\$54.15
Firm General			
(meter < 500 cubic ft./hr).....	12	\$83.66	\$96.25
(meter > 500 cubic ft./hr).....	83	\$448.06	\$535.17
Interruptible Sales Service –			
Small Volume.....	354	\$1,650.19	\$1,810.50
Large Volume.....	4,281	\$14,377.85	\$15,261.45
Interruptible Transportation –			
Small Volume.....	1,182	\$1,648.19	\$2,483.98
Large Volume.....	7,957	\$5,552.20	\$7,194.53
Interruptible Grain Drying (currently served under Small Interruptible Sales Service)			
.....	553	\$2,355.73	\$2,707.38
Interruptible Grain Drying (currently served under Large Interruptible Sales Service)			
.....	1,932	\$6,614.87	\$8,328.56

**Other rate changes:**

- A new rate (Interruptible Grain Drying Gas Sales Service Rate 73) becomes effective applicable to all grain drying customers and their interruptible grain drying load.
- The Company's Revenue Decoupling Mechanism (RDM) rates per dk have also been updated effective April 1, 2021 to reflect the inclusion of a Margin Sharing Credit mechanism as a component of the RDM rates. This credit shares margin received from a large interruptible customer with all Minnesota customers from a level of base revenues established in the Company's rate case.
- The Company's Conservation Improvement Program base charge (included in each rate's Distribution Charge) and CCRA Factor rates (billed as a separate line) have also been updated effective April 1, 2021 to reflect projected program costs through September 2021.

**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, rather than when your bill is processed. This means that any gas used prior to April 1, 2021 will be billed at the old rates and any gas used on and after April 1, 2021 will be billed at the new rates.

**Payment**

Bills will be considered past due if not paid by the due date shown on the bill. If the unpaid balance is in excess of \$10.00, a late payment charge of 1.5% of the unpaid balance or \$1.00, whichever is greater, will be added to the unpaid balance.