



GREAT PLAINS NATURAL GAS CO.

A Division of Montana-Dakota Utilities Co.

State of North Dakota Gas Rate Schedule

NDPSC Volume 2
3rd Revised Sheet No. 7
Canceling 2nd Revised Sheet No. 7

COST OF GAS – NATURAL GAS RATE 88

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1. **Applicability:**

This rate schedule constitutes a cost of gas (COG) provision and specifies the procedure to be utilized to adjust the rates for natural gas sold under Great Plains rate schedules in order to reflect: (a) changes in Great Plains' average cost of natural gas supply and (b) amortization of the Gas Cost Reconciliation account.

2. **Effective Date and Limitation on Adjustments:**

- (a) The effective dates of the COG shall be service rendered on and after the first date of each month, unless the Commission shall otherwise order.
- (b) Great Plains shall file to reflect changes in its average cost of gas supply only when the amount of change in such COG is at least \$0.25 per dk. The adjustment to be effective June 1 shall be filed each year, regardless of the amount of the change.

3. **Cost of Gas:**

- (a) The monthly COG shall reflect changes in Great Plains' cost of gas supply as compared to the cost of gas supply approved in its most recent COG filing.
- (b) Firm Demand - The average cost of demand for Firm Gas Sales shall be computed on the basis of current pipeline rates and contract demand divided by twelve month weather normalized sales volumes applicable for the entire Great Plains' gas system.
- (c) Gas Commodity - The average weighted commodity cost, including transportation and other costs associated with the acquisition of gas, from all suppliers for the month the COG will be in effect.
- (d) Demand costs for interruptible sales customers shall be stated on a 100% load factor basis.

4. **Gas Cost Reconciliation (GCR)**

- (a) For each twelve-month period ending April 30, a Gas Cost Reconciliation (GCR) will be calculated for each class set forth above. The GCR will be added to each customer class' cost of gas supply for the twelve-month period effective June 1 of each year. This adjustment shall include:

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|--------------------|--|------------------------|--|
| Date Filed: | January 11, 2019 | Effective Date: | Service rendered on and after February 1, 2019 |
| Issued By: | Tamie A. Aberle Director – Regulatory Affairs | Case No.: | PU-17-075 & PU-17-490 |



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1. The balance in the (over) under recovered gas cost account as of April 30.
 2. The difference between actual and recovered gas costs for each customer class for the twelve months ending April 30. The amount may be an under recovery or (over) recovery.
 3. Demand costs recovered from the interruptible sales customers will be credited to the firm general service customers.
 4. Any refunds from suppliers of gas or pipeline services.
 5. Carrying charges or credits at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.
- (b) The resulting balance is divided by the projected dk sales for the next twelve months. The GCR adjustment shall be applied to the customers' monthly billings commencing on June 1 and remain in effective for a twelve (12) month period.

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Director – Regulatory Affairs

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