



A Division of Montana-Dakota Utilities Co.

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October 31, 2024

Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 East Seventh Place, Suite 350
St. Paul, MN 55101-2147

**RE: Informational Update Filing on Great Plains' 2024 Demand Entitlement Filing
Docket No. G004/M-24-234**

Dear Mr. Seuffert:

Great Plains Natural Gas Co. (Great Plains), a Division of Montana-Dakota Utilities Co. (Montana-Dakota), herewith electronically submits an informational update filing to the June 28, 2024 (June 28 DEQ) Demand Entitlement filing, pursuant to Minnesota Rule 7825.2910, Subpart 2, in the above referenced docket for the month of November 2024.

The demand changes proposed in the June 28 DEQ assumed the Wahpeton Expansion Project¹ (Project) with an in-service date of November 1, 2024. Because of weather delays, the Project's completion date is now expected to be December 1, 2024. Once in service, Wahpeton, North Dakota customers will transition from Great Plains' integrated gas system to Montana-Dakota's integrated gas system. Great Plains will file an additional information update upon completion of the project, and all exhibits included in the Company's June 28 DEQ will be updated.

In this informational update, Great Plains has included Updated Exhibit C – Rate Impacts, reflecting the proposed rates included in the November 2024 Purchase Gas Cost Adjustment, which includes Wahpeton, ND customers.

Capacity Releases

In the June 28 DEQ filing, Great Plains' proposed demand profile included a VGT capacity release of 8,291 Dk. Great Plains proposed these capacity releases to defray the cost of currently subscribed excess capacity by an estimated \$232,977 per year. As discussed in more detail below, the Company's plan regarding capacity releases has changed because of the delay in the Project.

¹ FERC Docket No. CP22-466.

WBI Transmission Wahpeton Expansion Project Update

Consistent with the April 27, 2020 Order in Docket No. G004/M-19-430, Great Plains provides information regarding its efforts to release capacity. Great Plains foresees no challenges to release Viking Gas Transmission (VGT) Zone 1-1 capacity and expects that these monthly releases will successfully defray at least the estimated \$232,977 capacity release credited to customer that was presented in the June 28 DEQ. However, the releases will not be uniformly released between November 2024 and October 2025.

Great Plains plans to execute monthly, variable capacity releases on VGT rather than a term release of 8,291. The primary reason for this modification is to maintain transportation flexibility as WBI Energy completes its Wahpeton Expansion Project, which is currently estimated to be completed by December 1, 2024.

Great Plains must therefore maintain access to a demand entitlement equal to the 31,678 Dk/day for Minnesota firm customers plus approximately 3,300 Dk/day required for firm customers in Wahpeton, North Dakota. Firm and interruptible customers in Wahpeton, North Dakota will continue to contribute to demand costs until their transition to Montana-Dakota's integrated gas system.

Great Plains has successfully released 9,000 Dk/day for the month of November 2024 at a weighted average rate of \$15.30/Dk/Month. Firm and interruptible customers in Wahpeton, North Dakota are expected to contribute to the June 28 DEQ filed defrayment, by consuming approximately 88,000 Dk during the month of November. Great Plains intends to return to the as-filed 8,291 Dk/day release upon the expected December 1, 2024 completion of the Wahpeton Expansion Project.

Northern Natural Gas TF Base and TF Variable Allocation

As stated in the June 28 DEQ filing, Great Plains agreed to update the Commission on the allocation of NNG TF12 Base and TF12 Variable in place for the 2024-2025 heating season. Great Plains was informed that NNG is increasing the TF12 Base by 574 dk to 5,703 dk per day, while decreasing the TF12 Variable by 574 dk to 5,242 dk per day. This new allocation will be effective November 1, 2024, and the rates are reflected in the Updated Exhibit C.

Table 1
TF12 Changes to Initial Filing

	Initial Filing (dk)	Change (dk)	Update (dk)
TF12 Base	5,129	5,703	574
TF12 Variable	5,816	5,242	-574

The annual updated demand effect is a decrease of \$0.13960 per dk as shown on Updated Exhibit C. Please see Table 2 below for the annual demand rate impacts, compared to those effective on and after September 1, 2024, and reflecting the changes noted above.

Table 2
Annual Demand Rate Impacts

Effective date	Residential Customer (81.2 dk)	Total Change Residential	Firm General Service (436.0 dk)	Total Change Firm General Service
September 1, 2024	\$170.07		\$913.20	
Change due to update	(\$11.33)	-6.70%	(\$60.86)	-6.70%
November 1, 2024	\$158.74		\$852.34	

In support of updating Docket No. G004/M-24-234, Great Plains has updated the following exhibit to show the impact of the changes listed above.

Updated Exhibit C – Rate Impacts

As stated above, Great Plains will submit an updated informational filing after the transition of the Wahpeton, North Dakota customers to Montana-Dakota's integrated system. The updated filing will include the following exhibits in this Docket.

Exhibit A – Design Day Capacity
Exhibit B – Demand Profile
Exhibit C – Rate Impacts
Exhibit D – Demand Entitlement Analysis

Per the Department's request in its Response Comments to Docket No. G004/M-15-645, dated August 31, 2016, Great Plains will also include a red-lined version of the exhibits as Exhibit E, in the updated informational filing.

Please contact me at (701) 222-7855 or travis.jacobson@mdu.com, or Kristin Stastny at (612) 977-8656 if you have any questions regarding this filing.

Sincerely,

/s/ Travis R. Jacobson

Travis R. Jacobson
Director of Regulatory Affairs

cc: Kristin Stastny

GREAT PLAINS NATURAL GAS CO.
DEMAND ENTITLEMENT FILING
RATE EFFECT OF PROPOSED DEMAND - NOVEMBER 1, 2024

Updated Exhibit C
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	Last Rate Case 1/	Last Demand Change 2/	Current Rates 3/	November 2024 Proposed 4/	% Change from			Change from Current Rates
					Last Rate Case	Last Demand Change	Current Rates	
Residential Gas Service								
Commodity Cost of Gas	\$2.23370	\$3.24790	\$1.88060	\$2.61090	16.9%	-19.6%	38.8%	\$0.73030
GCR 5/	(0.06280)	0.04290	0.72300	0.72300	-1251.3%	1585.3%	0.0%	0.00000
Demand Cost of Gas	1.45680	1.82250	2.09450	1.95490	34.2%	7.3%	-6.7%	(0.13960)
Commodity Margin 1/	3.01710	3.01710	3.01710	3.01710	0.0%	0.0%	0.0%	0.00000
CCRA 6/	(0.05970)	(0.00960)	(0.00960)	(0.00960)	-83.9%	0.0%	0.0%	0.00000
GAP 7/	0.02295	0.03399	0.05218	0.05218	127.4%	53.5%	0.0%	0.00000
GUIC 8/	0.30410	0.21460	0.46420	0.46420	52.6%	116.3%	0.0%	0.00000
RDM and MSC 9/	(0.31120)	(0.30100)	(0.49220)	(0.49220)	58.2%	63.5%	0.0%	0.00000
Gas Event Surcharge 10/	0.00000	0.91670	0.00000	0.00000	N/A	-100.0%	N/A	0.00000
Total Rate	\$6.60095	\$8.98509	\$7.72978	\$8.32048	26.0%	-7.4%	7.6%	\$0.59070

Average Annual Usage (Dk)	81.2	81.2	81.2	81.2				
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Average Annual Cost of Gas	\$536.00	\$729.59	\$627.66	\$675.62	26.0%	-7.4%	7.6%	\$47.96
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Firm General Service								
Commodity Cost of Gas	\$2.23370	\$3.24790	\$1.88060	\$2.61090	16.9%	-19.6%	38.8%	\$0.73030
GCR 5/	(0.06280)	0.04290	0.72300	0.72300	-1251.3%	1585.3%	0.0%	0.00000
Demand Cost of Gas	1.45680	1.82250	2.09450	1.95490	34.2%	7.3%	-6.7%	(0.13960)
Commodity Margin 1/	2.46850	2.46850	2.46850	2.46850	0.0%	0.0%	0.0%	0.00000
CCRA 6/	(0.05970)	(0.00960)	(0.00960)	(0.00960)	-83.9%	0.0%	0.0%	0.00000
GAP 7/	0.02295	0.03399	0.05218	0.05218	127.4%	53.5%	0.0%	0.00000
GUIC 8/	0.18030	0.18160	0.33660	0.33660	86.7%	85.4%	0.0%	0.00000
RDM and MSC 9/	(0.19810)	(0.23490)	(0.35340)	(0.35340)	78.4%	50.4%	0.0%	0.00000
Gas Event Surcharge 10/	0.00000	0.91670	0.00000	0.00000	N/A	-100.0%	N/A	0.00000
Total Rate	\$6.04165	\$8.46959	\$7.19238	\$7.78308	28.8%	-8.1%	8.2%	\$0.59070

Average Annual Usage (Dk)	436.0	436.0	436.0	436.0				
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Average Annual Cost of Gas	\$2,634.16	\$3,692.74	\$3,135.88	\$3,393.42	28.8%	-8.1%	8.2%	\$257.54
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Customer Class	Commodity Change		Demand Change		Total Change		Avg. Annual Bill Change
	(\$/Dk)	(Percent)	(\$/Dk)	(Percent)	(\$/Dk)	(Percent)	
Residential Gas Service	\$0.7303	38.8%	(\$0.1396)	-6.7%	\$0.5907	7.6%	\$47.96
Firm General Service	0.7303	38.8%	(0.1396)	-6.7%	0.5907	8.2%	257.54

1/ Effective with service rendered on and after April 1, 2021 in Docket No. G004/GR-19-511.

2/ Demand in Docket No. G004/M-23-262, effective November 1, 2023.

3/ Most recently filed PGA: September 2024.

4/ Includes seasonal capacity release of 9,000 Dk and Minnesota normalized volumes.

5/ Effective with service rendered on and after September 1, 2024 in Docket No. G004/AA-24-301.

6/ Effective with service rendered on and after October 1, 2023 in Docket No. G004/M-23-186.

7/ Effective with service rendered on and after September 1, 2024 in Docket No. G004/M-24-37.

8/ Effective with service rendered on and after October 1, 2024 in Docket No. G004/M-24-170.

9/ Effective with service rendered on and after July 1, 2024, the Revenue Decoupling Mechanism rates only include the MSC component and is now identified on customers' bills as Margin Sharing Credit. - Docket No. G004/M-24-199.

10/ Effective with service rendered on and after September 1, 2021 for 27 months in Docket Nos. G999/CI-21-135 and G004/M-21-235.

	Firm Gas Sales Service (Rates 60 and 70)	Interruptible Gas Sales Service (Rates 71, 73, and 85)
September 1, 2021	\$1.57860 per dk	\$0.58250 per dk
November 1, 2021	\$0.63142 per dk	\$0.23298 per dk
April 1, 2022	\$1.57860 per dk	\$0.58250 per dk
November 1, 2022	\$0.63142 per dk	\$0.23298 per dk
December 1, 2022	\$1.26280 per dk	\$0.46600 per dk
March 1, 2023	\$0.91670 per dk	\$0.62700 per dk
April 1, 2023	\$2.29175 per dk	\$1.56750 per dk
November 1, 2023	\$0.91670 per dk	\$0.62700 per dk
December 1, 2023	\$0.00000 per dk	\$0.00000 per dk