

705 West Fir Avenue
Mailing Address:
P.O. Box 176
Fergus Falls, MN 56538-0176
1-877-267-4764

July 2, 2012

Dr. Burl Haar
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147

Re: Demand Entitlement Filing
Docket No. G004/M-12-____

Dear Dr. Haar:

Great Plains Natural Gas Co. (Great Plains), a Division of MDU Resources Group, Inc., herewith electronically submits its Demand Entitlement Filing pursuant to Minnesota Rule 7825.2910, Subpart 2 for the 2012-2013 winter heating season.

Great Plains is requesting to change its demand portfolio to reflect changes in the North District gas supply and transportation contracts resulting from the expiration of the current contracts. Such changes will also result in a slight increase in capacity available to serve North District customers. South District capacity will remain unchanged. Great Plains requests that changes in the capacity be effective November 1, 2012, which corresponds with the effective date of new transportation contract in the North District and with Northern Natural Gas Co.'s (Northern) TF12 Base and Variable capacity reallocation.¹

In support of the filing Great Plains has attached the following exhibits:

- Exhibit A – Demand Profile
- Exhibit B - Transportation contract cost analysis
- Exhibit C – Design Day Capacity
- Exhibit D – Rate Impacts
- Exhibit E – Demand Entitlement Analysis

¹ Great Plains is submitting its filing at this time in light of (1) the Department's recommendation in its February 2, 2012 Comments in Docket No. G004/M-11-1075 that Great Plains file its annual demand entitlement filings by July 1 each year going forward; and (2) the significant changes in the North District gas supply and transportation contracts that will be effective November 1, 2012.

Exhibit A - Demand Profile

In the North District, Great Plains has entered into new upstream gas supply and transportation contracts to replace Great Plains' long term transportation and supply contract with ProGas, which expires on October 31, 2012. As described below and in Exhibit B, Great Plains' customers will benefit considerably from this change.

The new contracts will provide firm transportation capacity on Northern and supply from the Ventura, Iowa interconnect point between Northern Border Pipeline (Northern Border) and Northern. While the existing contract with ProGas proved to be a reliable source of natural gas, with the loss of demand for pipeline capacity on the TransCanada Pipeline (TransCanada) system, the demand charges have increased to a point that is cost-prohibitive to continue serving the North District customers via this pipeline.

Under Great Plains' replacement contracts, North District customers will continue to receive natural gas through Viking Gas Transmission Company (Viking), however, the source of the natural gas will switch from the Emerson receipt point on TransCanada Pipeline to Northern's pipeline at the interconnect between Northern and Viking. Effective November 1, 2012, the firm transportation services upstream of Viking will originate on Northern's pipeline system at the interconnect with Northern Border at Ventura, Iowa. The North District supply of natural gas will enter Viking's system at the receipt point between Northern and Viking known as the Chisago interconnect. Please see pages 4-5 of Exhibit A for a map illustrating the changes in the interconnection points. By accessing natural gas from Northern Border, Great Plains will have access to numerous marketers with which Great Plains has established working relationships. The Northern Border-Ventura point is a liquid point with active trading.

The new Northern contract has a term of 11.5 years and will supply 13,000 dk per day of capacity to the North District customers. In addition to the 13,000 dk per day, Great Plains will continue to utilize the 2,000 dk per day on Northern that, in the past, has been used to meet the peak day demand of its firm sales customers. The total supply allocated to the North District will be 15,000 dk per day, a modest increase of 159 dk from the 2011-2012 winter levels.

In conjunction with the new Northern contracts, Great Plains will retain 5,000 dk per day of forward haul on the Viking system. In addition to the 5,000 dk of forward haul capacity, 8,000 dk per day of new firm back haul capacity will be contracted to meet the peak day requirement. This will be in addition to the current seasonal firm back haul capacity of 2,000 dk per day which Great Plains has contracted for and utilized for many years. This will result in a total of 10,000 dk per day of firm back haul capacity during the heating season, thus meeting the 15,000 dk per day of supply noted above.

In the South District, pursuant to Northern's FERC tariff, Northern adjusts each TF12 contract between TF12 Base and TF12 Variable effective November 1 of each year, based on the amount of capacity used during the preceding May – September period. At this time, the amount of the adjustment is not yet known, however the change is

normally not significant and there is no deliverability difference between the TF12 Base and TF12 Variable entitlement. The change in the TF12 Base and TF12 Variable will be known by November 1, 2012. The changes to pipeline contracts will also affect the South District, as summer capacity agreements on the TransCanada/Viking system will no longer be used, which will reduce demand charges to customers by approximately \$0.30 per dk, or 20.4 percent from the June 2012 PGA.

These changes in capacity are supported by Great Plains' design day studies and demand entitlement analysis in Exhibit C. Great Plains' analyses indicate that it will have adequate capacity to serve its firm service customers in the 2012-2013 heating season.

Finally, pages 2 and 3 of Exhibit A show the demand profile history for the 2010-2011, 2011-2012 and proposed 2012-2013 heating seasons.

Exhibit B – Transportation Contract Analysis

With the imminent expiration of the ProGas gas supply and pipeline transportation contract in October 2012, Great Plains began to review potential options for the replacement of the contract beginning in 2008-2009. Great Plains reviewed options available to serve the North District customers with the goal of providing the most reliable and economic firm transportation service to meet the current and future demand. Great Plains considered four different scenarios ranging from a continuation of the existing contract with ProGas to directly contracting with Northern and using Viking back haul capacity.

After reviewing the options, it was determined that a contract with Northern was the most reliable and economic manner to serve customers. Exhibit B provides Great Plains' cost analysis supporting the determination that entering into the contracts with Northern better serves the long-term interests of Great Plains' customers.

In particular, Great Plains determined that contract for firm transportation service similar to the existing ProGas contract would continue to expose customers to the high demand charges on the upstream TransCanada pipeline. With the continued decontracting on the TransCanada system, the demand charges are expected to, at a minimum, stay at the current high rate or continue to escalate in the future as other shippers are expected to leave that system due to the high demand charges. The current demand charge level in the North District has been of concern as the rates to customers have increased approximately 55 percent since November 2008, primarily due to changes in TransCanada pipeline rate increases. The current high transportation charges, along with potentially higher charges in the future were the primary factor in ruling out the option to continue to use TransCanada/Viking as the means of providing service to customers once the current contract expires. In addition to the cost savings, Northern is a reputable pipeline and is well positioned to take advantage of transporting the escalating supply of shale gas in the mid-continent and southern United States to meet customer needs at a competitive price.

Great Plains also notes that while reviewing the gas supply options for the North District, Great Plains attempted to contract for storage capacity on Northern's system as part of the supply portfolio. The supply of storage would have provided customers with a physical hedge and a level of price stability during the heating season. The proposal submitted by Great Plains was rejected by Northern as other offers were of longer term and accepted by Northern.

Exhibit C – Design Day Capacity

In support of its proposed demand profile, Great Plains has provided its design day calculations for the North District and South District in Exhibit C.

On June 27, 2012, Great Plains filed its Compliance filing pursuant to the Commission's Order in Docket Nos. G004/M-07-1401, G004/M-08-1306, G004/M-9-1262, and G004/M-10-1164. In its Order, the Commission required Great Plains to develop a design day forecast methodology that addressed the concerns of the Department that were raised in the referenced dockets. Great Plains worked with the Department to review its design day methodology and potentially develop a new design day forecast methodology. Great Plains and the Department ultimately concluded that Great Plains' current design day methodology did not produce unreasonable results and Great Plains should continue to use its methodology for determining design day demand.²

In compliance with Docket No. G004/M-03-303 and its Agreement with the Department, Great Plains performed a regression analysis using 36 months of history in its design day methodology. This produces an estimate of the design day demand for firm gas service and supports the required pipeline capacity levels. Due to the different weather patterns in its service area, Great Plains performed regressions for the South District, Crookston and Fergus Falls areas in the North District, and Wahpeton, North Dakota. Based on the study and Great Plains' proposed capacity levels, Great Plains is anticipating a reserve margin of 5.3 percent in the North District and 5.4 percent in the South District. This level of reserve margin is consistent with the Commission's directive in its September 30, 2010 Order in Docket No. G004/M-09-1262 that Great Plains reduce its reserve margin to approximately 5 percent in the North District and South District. Great Plains' proposed reserve levels comply with the Commission's directive.

Future Changes

The current abundance of supply, with the economic energy source natural gas provides, is bringing about the conversion of users of alternate fuels to natural gas as the desired form of energy. Great Plains has seen a renewed interest for natural gas

² As noted in Great Plains' June 27 Compliance Filing, Great Plains agreed to include in its demand entitlement filing a discussion and supporting calculations, comparing actual usage for new construction to usage for older construction on both its North and South Districts. Great Plains is in the process of preparing this analysis and intends to supplement the current filing when the analysis is complete.

throughout its service territory and the decrease in demand charges for the North District customers could result in additional requests for natural gas. Great Plains will continue to monitor customer growth and related increase in demand as well as the offsetting effect of conservation.

Exhibit D – Rate Impacts

Exhibit D shows the impacts to customers due to the capacity changes discussed above. The result of the changes in the contract is a decrease in the demand rate components for North District firm customers of 60.8 percent and a decrease of 20.4 percent for South District firm customers from the rates in effect in June 2012.

Exhibit E – Demand Entitlement Analysis

Exhibit E reflects the historical design day requirement, total entitlement and peak day design, entitlement and firm sendout per customer for the 1995-1996 to the 2012-2013 heating seasons.

If you have any questions regarding this filing, please contact me at (701) 222-7854, or Brian M. Meloy, at (612) 335-1451.

Sincerely,

/s/ Rita A. Mulkern

Rita A. Mulkern
Regulatory Affairs Manager

cc: Brian M. Meloy

**GREAT PLAINS NATURAL GAS CO.
DEMAND ENTITLEMENT FILING 2011 - 2012 HEATING SEASON
DEMAND PROFILE EFFECTIVE NOVEMBER 1, 2012**

<u>Type of Capacity or Entitlement</u>	<u>Current Amount</u>	<u>Proposed Change</u>	<u>Proposed Amount</u>	<u>Contract Length</u>	<u>Expiration Date</u>
<u>Demand Profile for South District (dk):</u>					
TF12 Base (Summer & Winter) 1/	5,644	0	5,644	5 years	10/31/14
TF12 Variable (Summer & Winter) 1/	1,891	0	1,891	5 years	10/31/14
TF5 (November - March) 1/	3,410	0	3,410	5 years	10/31/14
TFX Seasonal (November - March)	4,700	0	4,700	5 years	10/31/14
Subtotal	15,645	0	15,645		
FT-A - Zone 1-1 (April - October)	500	0	500	1 Year	10/31/13
FT-A - Zone 1-2 (April - October)	4,500	0	4,500	1 Year	10/31/13
SMS	2,500	0	2,500	5 Years	10/31/14
FDD-1 Reservation	4,640	0	4,640	5 Years	5/31/16
LP Peak-Shaving	0	0	0		
Heating Season Total Capacity:	15,645	0	15,645		
Non-Heating Season Total Capacity:	7,535	0	7,535		
Forecasted Heating Season Design Day:	14,868	(18)	14,850		
Estimated Non-Heating Season Design Day:	10,065	(2,186)	7,879		
Heating Season Capacity: Surplus/(Shortage)	777	18	795		
Non-Heating Season Capacity: Surplus/(Shortage)	(2,530)	2,186	(344)		
<u>Demand Profile for North District (dk) 2/</u>					
FT-A	7,841	(7,841)	0	5 Years	10/31/12
FT-A (Backhaul)	0	8,000	8,000	5 Years	10/31/17
FT-A - Zone 1-1 (November - March)	500	0	500	1 Year	10/31/13
FT-A - Zone 1-2 (November - March)	4,500	0	4,500	1 Year	10/31/13
TFX Seasonal (November - March)	2,000	0	2,000	20 Years	10/31/14
Subtotal	14,841	159	15,000		
FT-A Seasonal (November - March) 3/	2,000	0	2,000	2 Years	10/31/13
LMS Demand	2,500	0	2,500	1 Year	10/31/13
Brokered Reservation Charge (Emerson):	13,015	(13,015)	0	15 Years	10/31/12
TFX (Annual)	0		13,000	11.5 Years	3/31/24
Heating Season Total Capacity:	14,841	159	15,000		
Non-Heating Season Total Capacity:	7,841	159	8,000		
Forecasted Heating Season Design Day:	14,068	27	14,095		
Estimated Non-Heating Season Design Day:	10,315	(2,136)	8,179		
Heating Season Capacity: Surplus/(Shortage)	773	132	905		
Non-Heating Season Capacity: Surplus/(Shortage)	(2,474)	2,295	(179)		

1/ Effective November 1, 2011.

2/ Minnesota North District communities plus Wahpeton, ND.

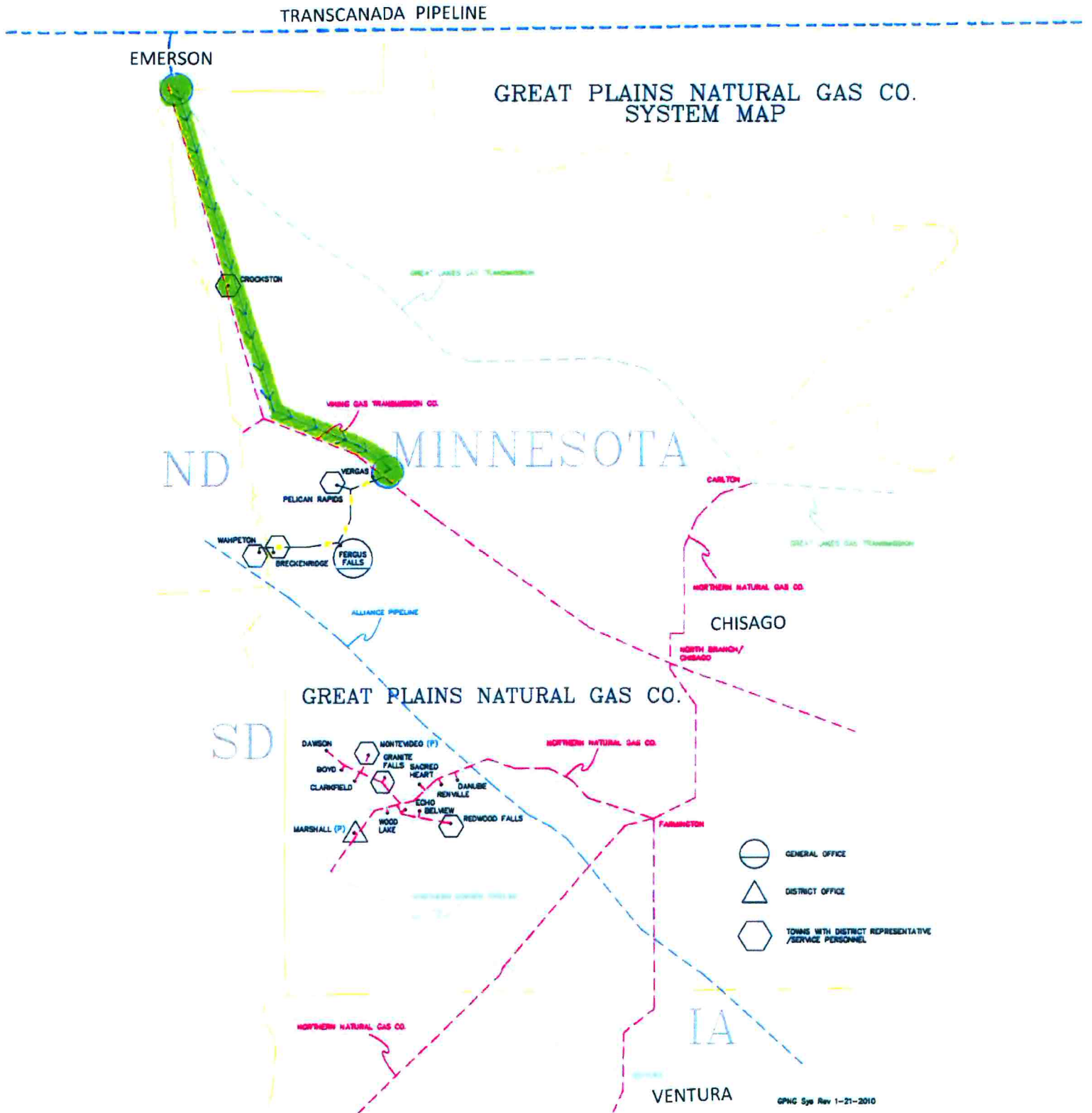
3/ Northern Natural North Branch Backhaul.

**GREAT PLAINS NATURAL GAS CO.
DEMAND PROFILE
NORTH DISTRICT**

2010-2011 Heating Season G004/M-10-1164	2011-2012 Heating Season G004/M-11-1075	2012-2013 Heating Season G004/M-12-	Difference
FT-A (12 months)	FT-A (12 months)	FT-A (12 months)	159
FT-A (November through March)	FT-A (November through March)	FT-A (November through March)	-
TFX (November through March)	TFX (November through March)	TFX (November through March)	-
FT-A (November through March)	FT-A (November through March)	TFX (12 months)	13,000
LMS Demand	LMS Demand	FT-A (November through March)	-
Brokered Reservation Charge (Emerson)	Brokered Reservation Charge (Emerson)	LMS Demand	-
Heating Season Total Capacity	Heating Season Total Capacity	Brokered Reservation Charge (Emerson)	(13,015)
Non-Heating Season Total Capacity	Non-Heating Season Total Capacity	Heating Season Total Capacity	159
Total Entitlement (Including Peak Shaving)	Total Entitlement (Including Peak Shaving)	Non-Heating Season Total Capacity	159
Total Annual Transportation	Total Annual Transportation	Total Entitlement (Including Peak Shaving)	159
Total Season Transportation	Total Season Transportation	Total Annual Transportation	159
Total Percent Seasonal	Total Percent Seasonal	Total Season Transportation	-
		Total Percent Seasonal	-0.50%

GREAT PLAINS NATURAL GAS CO.
DEMAND PROFILE
SOUTH DISTRICT

2010-2011 Heating Season G004/M-10-1164	Quantity (dk)	2011-2012 Heating Season G004/M-11-1075	Quantity (dk)	2012-2013 Heating Season G004/M-12-	Quantity (dk)	Difference
TF-12 Base	5,500	TF-12 Base	5,644	TF-12 Base	5,644	-
TF-12 Variable	2,035	TF-12 Variable	1,891	TF-12 Variable	1,891	-
FT-A (April through October)	5,000	FT-A (April through October)	5,000	FT-A (April through October)	5,000	-
TF-5 (November through March)	3,410	TF-5 (November through March)	3,410	TF-5 (November through March)	3,410	-
TFX (November through March)	3,700	TFX (November through March)	4,700	TFX (November through March)	4,700	-
Peak Shaving	1,380	Peak Shaving	-	Peak Shaving	-	-
SMS	2,500	SMS	2,500	SMS	2,500	-
FDD-1 Reservation	4,640	FDD-1 Reservation	4,640	FDD-1 Reservation	4,640	-
Heating Season Total Capacity	16,025	Heating Season Total Capacity	15,645	Heating Season Total Capacity	15,645	-
Non-Heating Season Total Capacity	12,535	Non-Heating Season Total Capacity	12,535	Non-Heating Season Total Capacity	12,535	-
Total Entitlement (Including Peak Shaving)	16,025	Total Entitlement (Including Peak Shaving)	15,645	Total Entitlement (Including Peak Shaving)	15,645	-
Total Annual Transportation	7,535	Total Annual Transportation	7,535	Total Annual Transportation	7,535	-
Total Season Transportation	7,110	Total Season Transportation	8,110	Total Season Transportation	8,110	-
Percent TF-5	31.16%	Percent TF-5	31.16%	Percent TF-5	31.16%	0.00%
Total Percent Seasonal	44.37%	Total Percent Seasonal	51.84%	Total Percent Seasonal	51.84%	0.00%

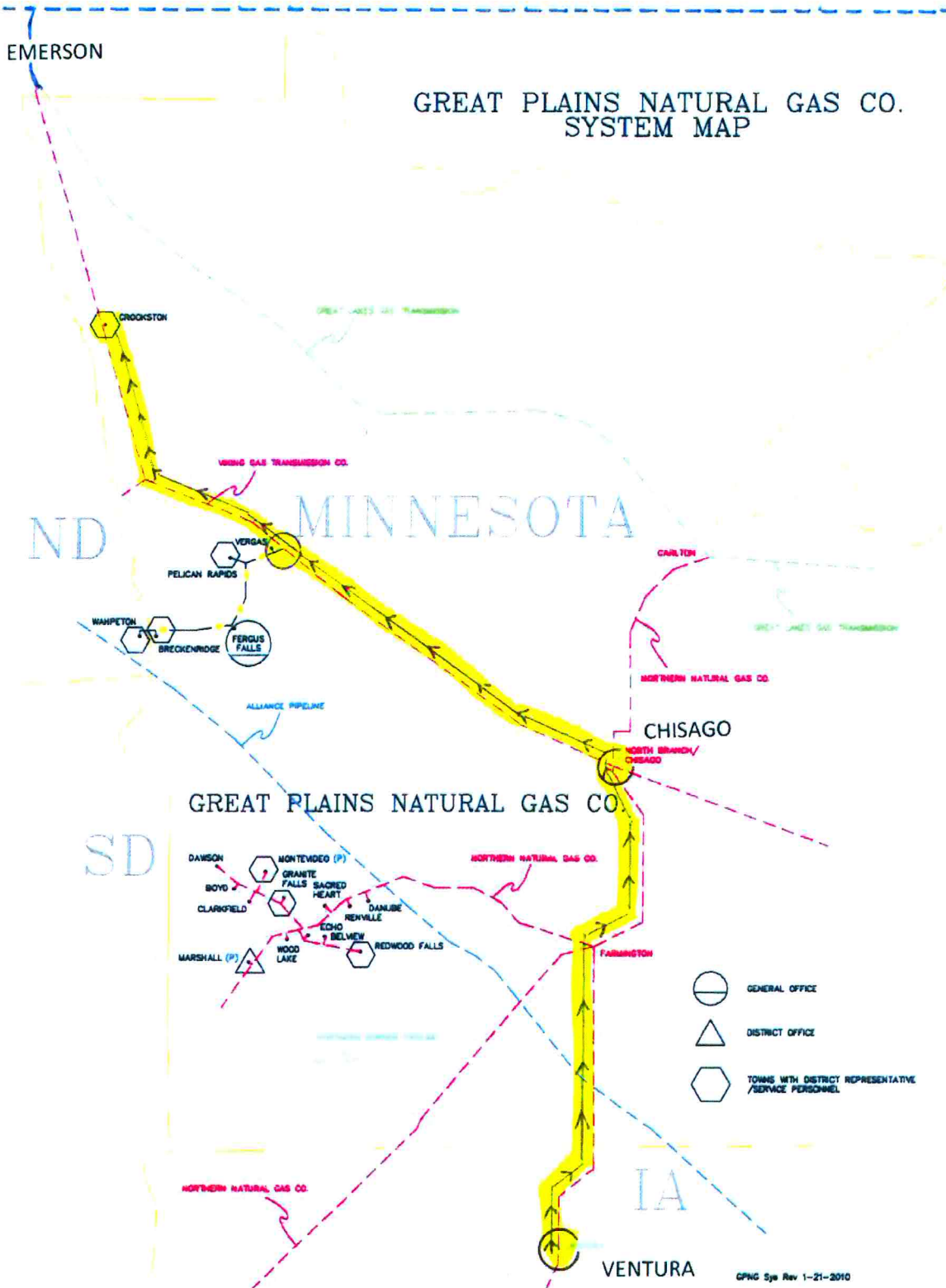



 Existing Capacity - VIKING

TRANSCANADA PIPELINE

EMERSON

GREAT PLAINS NATURAL GAS CO. SYSTEM MAP



 New Capacity - NNG/VIKING
Effective November 1, 2012

**GREAT PLAINS NATURAL GAS CO.
TRANSPORTATION CONTRACT COST ANALYSIS**

	<u>Cost</u>
Scenario 1	
Northern Natural Gas Transportation from Ventura to Chisago and Viking Backhaul Transportation (Long-term)	\$2,080,644
Scenario 2	
New NOVA/TransCanada Transportation and existing Viking Forwardhaul Transportation	5,325,878
Scenario 3	
A) 50% Canadian Transportation/ 50% Northern Natural Gas Transportation	3,715,945
B) 40% Canadian Transportation/ 60% Northern Natural Gas Transportation	4,006,855
Scenario 4	
Continuation of ProGas Contract	6,282,479

Great Plains Natural Gas Co. - Scenario #3
40% Canadian Transportation/ 60% NNG Transportation

Canadian Demand Charges - \$/US

	US\$/MMBtu	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
NOVA Demand Charges - FT-D - 5,000 MMBtu/day	5,000	399,768	33,314	33,314	33,314	33,314	33,314	33,314	33,314	33,314	33,314	33,314	33,314	33,314
NOVA FT-D Fuel	5,000	2,633	219	219	219	219	219	219	219	219	219	219	219	219
TransCanada Pipeline Demand Charges	5,000	1,396,740	116,395	116,395	116,395	116,395	116,395	116,395	116,395	116,395	116,395	116,395	116,395	116,395
TransCanada Pipeline Pressure Surcharge	5,000	6,048	504	504	504	504	504	504	504	504	504	504	504	504
Sub-Total		1,805,189	150,432	150,432	150,432	150,432	150,432	150,432	150,432	150,432	150,432	150,432	150,432	150,432

Demand Charges - NNG TFX Transportation

8,000 dk/day - Firm Transportation	8,000	16.72	1,605,120	133,760	133,760	133,760	133,760	133,760	133,760	133,760	133,760	133,760	133,760	133,760
Sub-Total			1,605,120											

Total Canada

3,410,309

Demand Charges - \$/U.S. - Viking

4,500 dk/day (Jan-Dec) (Short-term) - Forwardhaul (Zone 1-2)	4,500	4,8871	263,904	21,992	21,992	21,992	21,992	21,992	21,992	21,992	21,992	21,992	21,992	21,992
500 dk/day (Jan-Dec) (Short-term) - Forwardhaul	500	3,7671	22,608	1884	1884	1884	1884	1884	1884	1884	1884	1884	1884	1884
8,000 dk/day (Jan-Dec) (Long-term) - Backhaul	8,000	3,4671	332,844	27,737	27,737	27,737	27,737	27,737	27,737	27,737	27,737	27,737	27,737	27,737
2,000 dk/day (Nov-Mar) (Existing) - Backhaul	2,000	3,7671	37,670	7,534	7,534	0	0	0	0	0	0	0	7,534	7,534
Sub-Total			657,026	59,147	59,147	51,613	51,613	51,613	51,613	51,613	51,613	51,613	59,147	59,147

TOTAL 4,067,335

Demand Charges - \$/U.S. - Viking (w/ 4,500 on Zone 1-1)

4,500 dk/day (Jan-Dec) (Short-term) - Forwardhaul (Zone 1-1)	4,500	3,7671	203,424	16,952	16,952	16,952	16,952	16,952	16,952	16,952	16,952	16,952	16,952	16,952
Sub-Total			596,546	54,107	54,107	46,573	46,573	46,573	46,573	46,573	46,573	46,573	54,107	54,107

TOTAL 4,006,855

**GREAT PLAINS NATURAL GAS CO.
DEMAND ENTITLEMENT FILING 2012 - 2013 HEATING SEASON
DESIGN DAY - NOVEMBER 2012**

Area	Customer Factors 1/		Design HDD 2/	No. of Customers 3/	Projected Customers 4/	Peak/ Customer	Projected Peak Day (dk)	L&UA 5/	Projected Design	Capacity	Reserve
	Dk/day	Dk/DD									
Crookston	0.05079	0.01232	0.98304	2,421	2,434	1.23351	3,002	21	3,023		
North 4	0.05746	0.01289	0.98929	6,821	6,876	1.23045	8,461	60	8,521		
Wahpeton	0.09650	0.01299	0.97997	2,081	2,097	1.27859	2,681	19	2,700		
Total North District				11,323	11,407		14,144	100	14,244	15,000	5.3%
South 13	0.05292	0.01477	0.98843	11,500	11,531	1.27883	14,746	104	14,850	15,645	5.4%
Total				22,823	22,938		28,890	204	29,094	30,645	5.3%

1/ Use per customer factors based on regression analysis for the 36 months ending March 2012.

2/ Design Heating Degree Days Base 60 degrees F.

3/ Reflects monthly average December 2011 - February 2012

4/ Customer growth is based on regression analysis for the 36 months ending March 2012 with composite growth rates of, Crookston = 0.28%, North = 0.77%, Wahpeton = 0.62%, South = 0.25%.

5/ Lost and Unaccounted for Gas percentage of 0.7%.

**GREAT PLAINS NATURAL GAS CO.
RATE EFFECT OF PROPOSED DEMAND - NOVEMBER 1, 2012
NORTH DISTRICT**

	Last Rate		June		Proposed 4/		Last Rate		% Change from		Change from	
	Case 1/	Last Demand Change 2/	2012 PGA 3/	2012 PGA 3/	Proposed 4/	Case	Last Demand Change	Case	Last Demand Change	June 2012 PGA	June 2012 PGA	June 2012 PGA
<u>Residential</u>												
Commodity Cost of Gas	\$5.6571	\$3.4655	\$2.2406	\$2.2406	\$2.2406	-60.4%	-35.3%	-60.4%	-35.3%	0.0%	0.0%	\$0.0000
Demand Cost of Gas	1.9635	4.0733	3.9336	3.9336	1.5409	-21.5%	-62.2%	-21.5%	-62.2%	-60.8%	-60.8%	(2.3927)
Commodity Margin 5/	1.7671	1.7740	1.7689	1.7689	1.7689	0.1%	-0.3%	0.1%	-0.3%	0.0%	0.0%	0.0000
Total Rate	9.3877	9.7848	7.9431	7.9431	5.5504	-40.9%	-43.3%	-40.9%	-43.3%	-30.1%	-30.1%	(2.3927)
Average Annual Usage (dk)	103.8	103.8	103.8	103.8	103.8							
Average Annual Cost of Gas	\$974.44	\$1,015.66	\$824.49	\$824.49	\$576.13	-40.9%	-43.3%	-40.9%	-43.3%	-30.1%	-30.1%	(\$248.36)
<u>Firm General Service</u>												
Commodity Cost of Gas	\$5.6571	\$3.4655	\$2.2406	\$2.2406	\$2.2406	-60.4%	-35.3%	-60.4%	-35.3%	0.0%	0.0%	\$0.0000
Demand Cost of Gas	1.9635	4.0733	3.9336	3.9336	1.5409	-21.5%	-62.2%	-21.5%	-62.2%	-60.8%	-60.8%	(2.3927)
Commodity Margin	1.4471	1.4577	1.4553	1.4553	1.4553	0.6%	-0.2%	0.6%	-0.2%	0.0%	0.0%	0.0000
Total Rate	9.0677	9.4685	7.6295	7.6295	5.2368	-42.2%	-44.7%	-42.2%	-44.7%	-31.4%	-31.4%	(2.3927)
Average Annual Usage (dk)	375.7	375.7	375.7	375.7	375.7							
Average Annual Cost of Gas	\$3,406.73	\$3,557.32	\$2,866.42	\$2,866.42	\$1,967.48	-42.2%	-44.7%	-42.2%	-44.7%	-31.4%	-31.4%	(\$898.94)
<u>Customer Class</u>												
Residential	(\$/dk)	(Percent)	(\$/dk)	(\$/dk)	(Percent)	(\$/dk)	(Percent)	(\$/dk)	(Percent)	(\$/dk)	(Percent)	Average Annual Bill Change
Firm General Service	0.0000	0.0%	(2.3927)	(2.3927)	-60.8%	(2.3927)	-60.8%	(2.3927)	-30.1%	(2.3927)	-31.4%	(\$248.36)
	0.0000	0.0%	(2.3927)	(2.3927)	-60.8%	(2.3927)	-60.8%	(2.3927)	-31.4%	(2.3927)	-31.4%	(898.94)

1/ Base Cost of Gas Effective January 2007 in Docket No. G004/MR-06-1141.
2/ Demand in Docket No. G004/M-11-1075, effective November 1, 2011.
3/ June 2012 PGA.
4/ Proposed in this docket, G004/M-12-____ effective November 1, 2012.
5/ Includes CCRA and GAP.

**GREAT PLAINS NATURAL GAS CO.
RATE EFFECT OF PROPOSED DEMAND - NOVEMBER 1, 2012
SOUTH DISTRICT**

	Last Rate		June		% Change from		Change from	
	Case 1/ Last Rate	Change 2/ Last Demand	2012 PGA	3/ June	Last Rate Case	Last Demand Change	June 2012 PGA	June 2012 PGA
Residential								
Commodity Cost of Gas	\$5.9550	\$3.6551	\$2.4821	\$2.4821	-58.3%	-32.1%	0.0%	\$0.0000
Demand Cost of Gas	1.2338	1.4897	1.4952	1.1906	-3.5%	-20.1%	-20.4%	(0.3046)
Commodity Margin 5/	1.4279	1.3892	1.3849	1.3849	-3.0%	-0.3%	0.0%	0.0000
Total Rate	8.6167	6.8945	5.3622	5.0576	-41.3%	-26.6%	-5.7%	(0.3046)
Average Annual Usage (dk)	88.2	88.2	88.2	88.2				
Average Annual Cost of Gas	\$759.99	\$608.09	\$472.95	\$446.08	-41.3%	-26.6%	-5.7%	(26.8700)
Firm General Service								
Commodity Cost of Gas	\$5.9550	\$3.6551	\$2.4821	\$2.4821	-58.3%	-32.1%	0.0%	0.0000
Demand Cost of Gas	1.2338	1.4897	1.4952	1.1906	-3.5%	-20.1%	-20.4%	(0.3046)
Commodity Margin	1.1775	1.1388	1.1371	1.1371	-3.4%	-0.1%	0.0%	0.0000
Total Rate	8.3663	6.6441	5.1144	4.8098	-42.5%	-27.6%	-6.0%	(0.3046)
Average Annual Usage (dk)	340.9	340.9	340.9	340.9				
Average Annual Cost of Gas	\$2,852.07	\$2,264.97	\$1,743.50	\$1,639.66	-42.5%	-27.6%	-6.0%	(103.8400)
Customer Class								
Residential	(\$/dk)	(Percent)	Demand Change	(Percent)	Total Change	(Percent)	Average Annual Bill Change	
Firm General Service	\$0.0000	0.0%	(\$0.3046)	-20.4%	(\$0.3046)	-5.7%	(\$26.8700)	
	0.0000	0.0%	(0.3046)	-20.4%	(0.3046)	-6.0%	(103.8400)	

1/ Base Cost of Gas Effective January 2007 in Docket No. G004/MR-06-1141.
2/ Demand in Docket No. G004/M-11-1075, effective November 1, 2011.
3/ June 2012 PGA.
4/ Proposed in this docket, G004/M-12-_____ effective November 1, 2012.
5/ Includes CCRA and GAP.

GREAT PLAINS NATURAL GAS CO.
DEMAND ENTITLEMENT ANALYSIS
NORTH DISTRICT

Heating Season	Number of Firm Customers			Design Day Requirement			Total Entitlement + Storage + Peak Shaving			
	(1) Number of Customers	(2) Change From Previous Year	(3) % Change From Previous Year	(4) Design Day (dk)	(5) Change From Previous Year	(6) % Change From Previous Year	(7) Total Entitlement (dk)	(8) Change From Previous Year	(9) % Change From Previous Year	(10) % of Reserve Margin [(7)-(4)]/(4)
2012-2013	11,407	177	1.58%	14,244	176	1.25%	15,000	159	1.07%	5.31%
2011-2012	11,230	48	0.43%	14,068	(96)	-0.68%	14,841	(1,000)	-6.31%	5.49%
2010-2011	11,182	(12)	-0.11%	14,164	(248)	-1.72%	15,841	0	0.00%	11.84%
2009-2010	11,194	8	0.07%	14,412	(37)	-0.26%	15,841	(1,000)	-5.94%	9.92%
2008-2009	11,186	41	0.37%	14,449	(413)	-2.78%	16,841	0	0.00%	16.55%
2007-2008	11,145	28	0.25%	14,862	(289)	-1.91%	16,841	0	0.00%	13.32%
2006-2007	11,117	(64)	-0.57%	15,151	(673)	-4.25%	16,841	0	0.00%	11.15%
2005-2006	11,181	81	0.73%	15,824	(49)	-0.31%	16,841	0	0.00%	6.43%
2004-2005	11,100	25	0.23%	15,873	(121)	-0.76%	16,841	0	0.00%	6.10%
2003-2004 1/	11,075	2,375	27.30%	15,994	2,559	19.05%	16,841	4,154	32.74%	5.30%
2002-2003	8,700	180	2.11%	13,435	(1,231)	-8.39%	12,687	(2,780)	-17.97%	-5.57%
2001-2002	8,520	19	0.22%	14,666	212	1.47%	15,467	0	0.00%	5.46%
2000-2001	8,501	304	3.71%	14,454	0	0.00%	15,467	0	0.00%	7.01%
1999-2000	8,197	82	1.01%	14,454	618	4.47%	15,467	0	0.00%	7.01%
1998-1999	8,115	227	2.88%	13,836	244	1.80%	15,467	0	0.00%	11.79%
1997-1998	7,898	215	2.80%	13,592	2,415	21.61%	15,467	3,950	34.30%	13.79%
1996-1997	7,673	267	3.61%	11,177	379	3.51%	11,517	1,459	14.51%	3.04%
1995-1996	7,406			10,798			10,058			-6.85%
Annual Average			2.74%						3.08%	7.06%

Heating Season	Firm Peak Day Sendout			(14) Excess Per Customer [(7)-(4)]/(1)	(15) Design Day per Customer (4)/(1)	(16) Entitlement per Customer (7)/(1)	(17) Peak Day Sendout per Customer (11)/(1)
	(11) Firm Peak Day Sendout (dk)	(12) Change From Previous Year	(13) % Change From Previous Year				
2012-2013	8,441	(2,617)	-23.67%	0.0663	1.2487	1.3150	0.7516
2011-2012	11,058	2,134	23.91%	0.0688	1.2527	1.3215	0.9889
2010-2011	8,924	(769)	-7.93%	0.1500	1.2667	1.4167	0.7972
2009-2010	9,693	(348)	-3.47%	0.1277	1.2875	1.4151	0.8665
2008-2009	10,041	451	4.70%	0.2138	1.2917	1.5055	0.9009
2007-2008	9,590	43	0.45%	0.1776	1.3335	1.5111	0.8626
2006-2007	9,547	(923)	-8.82%	0.0910	1.3629	1.5149	0.8539
2005-2006	10,470	(942)	-8.25%	0.0872	1.4153	1.5062	0.9432
2004-2005	11,412	1,606	16.38%	0.0765	1.4442	1.5206	1.0304
2003-2004	9,806	(3,572)	-26.70%	(0.0860)	1.5443	1.4583	1.1271
2002-2003	13,378	1,699	14.55%	0.0940	1.7214	1.8154	1.5702
2001-2002	13,378	2,196	19.64%	0.1192	1.7003	1.8194	1.3738
1999-2000	11,182	(748)	-6.27%	0.1236	1.7633	1.8869	1.6321
1998-1999	11,930	267	2.29%	0.2010	1.7050	1.9060	1.3779
1997-1998	11,663	551	4.96%	0.2377	1.7231	1.9608	1.5124
1996-1997	11,112			0.0443	1.4567	1.5010	1.5200
1995-1996				(0.0999)	1.4580	1.3581	1.5004
Annual Average			-0.68%	0.1025	1.4670	1.5694	1.1535

1/ Crookston was consolidated with the North District in 2003.

GREAT PLAINS NATURAL GAS CO.
DEMAND ENTITLEMENT ANALYSIS
SOUTH DISTRICT

Heating Season	Number of Firm Customers			Design Day Requirement			Total Entitlement + Storage + Peak Shaving			
	(1) Number of Customers	(2) Change From Previous Year	(3) % Change From Previous Year	(4) Design Day (dk)	(5) Change From Previous Year	(6) % Change From Previous Year	(7) Total Entitlement (dk)	(8) Change From Previous Year	(9) % Change From Previous Year	(10) % of Reserve Margin [(7)-(4)]/(4)
2012-2013	11,531	(13)	-0.11%	14,850	(18)	-0.12%	15,645	0	0.00%	5.35%
2011-2012	11,544	(8)	-0.07%	14,868	(297)	-1.96%	15,645	(380)	-2.37%	5.23%
2010-2011	11,552	10	0.09%	15,165	(267)	-1.73%	16,025	(1,170)	-6.80%	5.67%
2009-2010	11,542	77	0.67%	15,432	156	1.02%	17,195	(170)	-0.98%	11.42%
2008-2009	11,465	8	0.07%	15,276	(301)	-1.93%	17,365	0	0.00%	13.68%
2007-2008	11,457	(27)	-0.24%	15,577	(117)	-0.75%	17,365	0	0.00%	11.48%
2006-2007	11,484	(224)	-1.91%	15,694	(699)	-4.26%	17,365	0	0.00%	10.65%
2005-2006	11,708	(92)	-0.78%	16,393	(336)	-2.01%	17,365	0	0.00%	5.93%
2004-2005	11,800	60	0.51%	16,729	92	0.55%	17,365	0	0.00%	3.80%
2003-2004	11,740	40	0.34%	16,637	(413)	-2.42%	17,365	0	0.00%	4.38%
2002-2003	11,700	76	0.65%	17,050	(2,058)	-10.77%	17,365	(2,600)	-13.02%	1.85%
2001-2002	11,624	189	1.65%	19,108	7	0.04%	19,965	0	0.00%	4.49%
2000-2001	11,435	(41)	-0.36%	19,101	0	0.00%	19,965	0	0.00%	4.52%
1999-2000	11,476	280	2.50%	19,101	340	1.81%	19,965	0	0.00%	4.52%
1998-1999	11,196	(25)	-0.22%	18,761	374	2.03%	19,965	0	0.00%	6.42%
1997-1998	11,221	306	2.80%	18,387	431	2.40%	19,965	2,000	11.13%	8.58%
1996-1997	10,915	235	2.20%	17,956	353	2.01%	17,965	1,008	5.94%	0.05%
1995-1996	10,680			17,603			16,957			-3.67%
Annual Average			0.46%						-0.36%	5.80%

Heating Season	Firm Peak Day Sendout			(14) Excess Per Customer [(7)-(4)]/(1)	(15) Design Day per Customer (4)/(1)	(16) Entitlement per Customer (7)/(1)	(17) Peak Day Sendout per Customer (11)/(1)
	(11) Firm Peak Day Sendout (dk)	(12) Change From Previous Year	(13) % Change From Previous Year				
2012-2013	10,268	(1,652)	-13.86%	0.0689	1.2878	1.3568	0.8895
2011-2012	11,920	(692)	-5.49%	0.0673	1.2879	1.3552	1.0319
2009-2010	12,612	(962)	-7.09%	0.0744	1.3128	1.3872	1.0927
2008-2009	13,574	888	7.00%	0.1527	1.3370	1.4898	1.1840
2007-2008	12,686	401	3.26%	0.1822	1.3324	1.5146	1.1073
2006-2007	12,285	(789)	-6.03%	0.1561	1.3596	1.5157	1.0697
2005-2006	13,074	(996)	-7.08%	0.1455	1.3666	1.5121	1.1167
2004-2005	14,070	(626)	-4.26%	0.0830	1.4002	1.4832	1.1924
2003-2004	14,696	425	2.98%	0.0539	1.4177	1.4716	1.2518
2002-2003	14,271	2,151	17.75%	0.0620	1.4171	1.4791	1.2518
2001-2002	12,120	(2,724)	-18.35%	0.0269	1.4573	1.4842	1.2197
2000-2001	14,844	(1,921)	-11.46%	0.0737	1.6438	1.7176	1.0427
1999-2000	16,765	828	5.20%	0.0756	1.6704	1.7460	1.2981
1998-1999	15,937	(133)	-0.83%	0.0753	1.6644	1.7397	1.4609
1997-1998	16,070	115	0.72%	0.1075	1.6757	1.7832	1.4321
1996-1997	15,955	(418)	-2.55%	0.1406	1.6386	1.7793	1.4617
1995-1996	16,373			0.0008	1.6451	1.6459	1.5331
Annual Average			-2.51%	(0.0605)	1.6482	1.5877	1.2240