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August 29, 2019

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 Seventh Place East, Suite 350  
St. Paul, MN 55101-2147

Re: Annual True-up Report  
Docket No. G004/AA-19-\_\_\_\_

Dear Mr. Wolf:

Great Plains Natural Gas Co. (Great Plains), a Division of Montana-Dakota Utilities Co., herewith electronically submits its Annual True-up Report for the twelve-month reporting period ended June 30, 2019, pursuant to Minnesota Public Utilities Commission (Commission) Rules 7825.2910, subpart 4, Part 7825.2700, subpart 7 and Part 7829.1300.

The Gas Cost Reconciliation (GCR) result for the twelve months ended June 30, 2019 was an over recovery of \$631,535 or 3.49%.

The resulting consolidated Gas Cost Recovery factors, proposed to be effective for September 1, 2019 to August 31, 2020 are shown on Exhibit A, page 1 of 1.

If you have any questions regarding this filing, please contact me at (701) 222-7856, or Brian M. Meloy, at (612) 335-1451.

Sincerely,

*/s/ Tamie A. Aberle*

Tamie A. Aberle  
Director of Regulatory Affairs

cc: Brian M. Meloy

**STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION**

Katie Sieben	Chair
Dan Lipschultz	Vice-chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

In the matter of	)	Docket No. G004/AA-19-_____
Great Plains Natural Gas Co.	)	Annual True-Up Report
Annual Automatic Adjustment Report	)	

**SUMMARY OF FILING**

On August 29, 2019, Great Plains Natural Gas Co. (Great Plains) filed with the Minnesota Public Utilities Commission the Annual Purchased Gas Adjustment True-Up Report (True-Up Report) pursuant to the Commission rules (Part 7825.2910, subpart 4 and part 7825.2700, subpart 7), regarding Automatic Adjustment of charges and True-up filing. The True-up Report summarizes the cost of gas incurred and the cost of gas recovered in billing rates for the twelve-month period reporting period ended June 30, 2019.

The total (over)under recovered gas costs for Minnesota for the twelve months ending June 30, 2019 were:

Recovered Costs	Actual Costs	(Over)Under Recovery	% of Actual
<u>\$18,701,798</u>	<u>\$18,070,263</u>	<u>(\$631,535)</u>	<u>3.49%</u>

Please see the attached exhibits in support of the filing:

Exhibit A – Gas Cost Reconciliation Adjustment

Exhibit B – Summary of (Over)Under Recoveries

**GREAT PLAINS NATURAL GAS CO.  
GAS COST RECONCILIATION (GCR) ADJUSTMENT  
EFFECTIVE SEPTEMBER 1, 2019**

<u>Minnesota System</u>	<u>Firm</u>	<u>Interruptible</u>
(Over)/Under Recovered gas costs at June 30, 2019	(\$640,239)	(\$106,374)
Projected Annual Dk Sales 1/	2,731,300	1,048,100
GCR Adjustment per Dk	<u>(\$0.2344)</u>	<u>(\$0.1015)</u>

1/ Projected dk for the period September 2019 - August 2020.

<u>Minnesota System:</u>	<u>Firm</u>	<u>Interruptible</u>
September 1, 2018 GCR Adjustment 2/	\$0.4859	\$0.4649
Change in Adjustment	<u>(\$0.7203)</u>	<u>(\$0.5664)</u>

2/ Pursuant to Docket No. G004/AA-18-374.

**GREAT PLAINS NATURAL GAS CO.  
SUMMARY OF (OVER) UNDER RECOVERIES  
TWELVE MONTHS ENDING JUNE 30, 2019  
MINNESOTA SYSTEM**

	Recovered Costs	Actual Costs	(Over)Under Recovery	% of Actual
Firm	\$14,957,122	\$14,449,540	(\$507,582)	3.51%
Interruptible	3,744,676	3,620,723	(123,953)	3.42%
Total	<u>\$18,701,798</u>	<u>\$18,070,263</u>	<u>(\$631,535)</u>	<u>3.49%</u>

	Beginning Balance	(Over) Under Recovery	GCR Recovery	Ending Balance
Firm	\$1,285,788	(\$507,582)	(\$1,418,445)	(\$640,239)
Interruptible	413,160	(123,953)	(395,581)	(106,374)
Total	<u>\$1,698,948</u>	<u>(\$631,535)</u>	<u>(\$1,814,026)</u>	<u>(\$746,613)</u>

Cost recovery by class and component:

	Recovered Costs	Actual Costs	(Over)Under Recovery	% of Actual
<b><u>Firm</u></b>				
Viking Gas Transmission:				
FT-A - Zone 1-1 (Cat. 3)	\$410,555	\$394,713	(\$15,842)	4.01%
FT-A - Zone 1-1 (Cat. 3)	256,666	234,658	(22,008)	9.38%
FT-A - Zone 1-1 (Cat. 3)	224,525	139,025	(85,500)	61.50%
FT-A Seasonal	42,731	39,656	(3,075)	7.75%
BP Contract (Firm Demand)	4,602	0	(4,602)	
FT-A - Capacity Release	(23,787)	(23,140)	647	2.80%
FT-A - Capacity Release	(1,509)	(10,289)	(8,780)	85.33%
Northern Natural Gas:				
TFX - Winter/Seasonal	1,111,860	1,031,162	(80,698)	7.83%
TFX - Summer	505,876	458,151	(47,725)	10.42%
TF12 Base - Summer	153,562	160,330	6,768	4.22%
TF12 Base - Winter	197,700	177,241	(20,459)	11.54%
TF12 Variable - Summer	139,576	105,220	(34,356)	32.65%
TF12 Variable - Winter	243,144	233,757	(9,387)	4.02%
TF5	252,781	234,418	(18,363)	7.83%
TFX - Summer	77,691	70,485	(7,206)	10.22%
TFX - Winter	533,667	494,958	(38,709)	7.82%
TFX Negotiated Contract - Winter	131,476	121,999	(9,477)	7.77%
FDD-1 Reservation	93,232	85,399	(7,833)	9.17%
Interruptible Demand Credit	(381,528)	(344,790)	36,738	10.66%
Total Demand Costs	<u>\$3,972,820</u>	<u>\$3,602,953</u>	<u>(\$369,867)</u>	<u>10.27%</u>
Commodity Costs	<u>10,984,302</u>	<u>10,846,587</u>	<u>(137,715)</u>	<u>1.27%</u>
Total Firm Gas Costs	<u>\$14,957,122</u>	<u>\$14,449,540</u>	<u>(\$507,582)</u>	<u>3.51%</u>
<b><u>Interruptible</u></b>				
Commodity Costs	\$3,399,886	\$3,275,933	(\$123,953)	3.78%
Interruptible Demand Charge	344,790	344,790	0	0.00%
Total Interruptible Gas Costs	<u>\$3,744,676</u>	<u>\$3,620,723</u>	<u>(\$123,953)</u>	<u>3.42%</u>
Total Gas Costs	<u>\$18,701,798</u>	<u>\$18,070,263</u>	<u>(\$631,535)</u>	<u>3.49%</u>