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September 30, 2015

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

Re: Miscellaneous Tariff Change
Base Cost of Gas - Interim
Docket No. G004/M-15-__

Dear Mr. Wolf:

Great Plains Natural Gas Co. (Great Plains), a Division of MDU Resources Group, Inc., herewith submits an original and seven (7) copies of its miscellaneous tariff change filing to implement a new interim base cost of gas, pursuant to Minnesota Rule 7825.2700, subpart 2.

Great Plains is filing a general gas rate case concurrently with this filing and is establishing a new base cost of gas to be implemented at the time interim rates take effect in the general rate case, Docket No. G004/GR-15-__. The new base cost of gas calculation is based on the projected 2016 annual gas commodity costs, transportation and storage capacity included in Great Plains' Demand Entitlement filing in Docket No. G004/M-15-645, gas pipeline rates as of August 1, 2015, and projected volumes included in the general rate case filing. This is the same cost of gas and volumes included in the general rate case interim application.

Submitted with this filing are the following:

Attachment A - Summary of the filing in accordance with Minnesota Rules 7829.1300 Subpart 1

Attachment B - New Base Cost of Gas Calculation

Base cost of gas calculation - North District

Base cost of gas calculation - South District

Attachment C - Work papers supporting Attachment B

Great Plains will submit revised tariff sheets with its compliance filing upon implementation of the interim rates.

If you have any questions regarding this filing, please contact me, at (701) 222-7900, or Brian M. Meloy, at (612) 335-1451.

Great Plains respectfully requests this filing be accepted as being in full compliance with the filing requirements of this Commission.

Sincerely,

/s/ Tamie A. Aberle

Tamie A. Aberle
Director of Regulatory Affairs

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Great Plains Natural Gas Co., a)
Division of MDU Resources Group,)
Inc., Request to Implement a New) Docket No. G004/M-15_____
Base Cost of Gas With Interim Rates)

SUMMARY OF FILING

Great Plains Natural Gas Co. (Great Plains), a Division of MDU Resources Group, Inc., submits this miscellaneous tariff change to establish a new base cost of to be implemented at the time interim rates take effect in Docket No. G004/GR-15-____. The new base cost of gas calculation is based on the projected 2016 annual gas commodity costs, transportation and storage capacity included in Great Plains' Demand Entitlement filing in Docket No. G004/M-15-645, gas pipeline rates as of August 1, 2015, and projected volumes included in the general rate case filing. This is the same cost of gas and volumes included in the general rate case interim application.

**GREAT PLAINS NATURAL GAS CO.
NORTH DISTRICT
PURCHASED GAS COST ADJUSTMENT
BASE COST OF GAS - PROJECTED 2016**

<u>Firm</u>	<u>Billing Determinants</u>	<u>Rate</u>	<u>Demand Months</u>	<u>Amount</u>	<u>Amount Per dk</u>
FT-A - Zone 1-1	8,000	\$4.3706	12	\$419,578	\$0.2815
FT-A - Zone 1-1	5,000	4.7507	5	118,768	0.0797
FT-A Seasonal	3,200	4.7507	5	76,011	0.0510
TFX Seasonal	2,000	15.1530	5	151,530	0.1017
TFX - Winter	13,000	15.1530	5	984,945	0.6607
TFX - Summer	13,000	5.6830	7	517,153	0.3469
Total Demand Charges				\$2,267,985	\$1.5215
Estimated Weighted Average Commodity Cost	1,490,700 1/	3.1328		4,670,065	3.1328
Total Firm Base Gas Cost				<u>\$6,938,050</u>	<u>\$4.6543</u>

Interruptible

Estimated Weighted Average Commodity Cost					\$3.1328
Total Interruptible Base Gas Cost					<u>\$3.1328</u>

	<u>\$/Dk</u>	
Rates Effective August 1, 2015 with Projected 2016 Commodity		
FT-A - Zone 1-1 (Category 1)	\$4.7507	Per dk/Mo.
FT-A - Zone 1-1 (Category 3)	4.3706	Per dk/Mo.
FT-A - Seasonal 2/	4.7507	Per dk/Mo.
TFX	15.1530	Per dk/Mo.
TFX Seasonal 2/	15.1530	Per Mmbtu/Mo.
Estimated Weighted Average Commodity Cost	3.1328	Per dk

1/ Projected 2016 firm sales volumes.

2/ Seasonal reservation charges.

**GREAT PLAINS NATURAL GAS CO.
SOUTH DISTRICT
PURCHASED GAS COST ADJUSTMENT
BASE COST OF GAS - PROJECTED 2016**

<u>Firm</u>	<u>Billing Determinants</u>	<u>Rate</u>	<u>Demand Months</u>	<u>Amount</u>	<u>Amount Per dk</u>
TF12 Base - Summer	5,100	\$5.6830	7	\$202,883	\$0.1370
TF12 Base - Winter	5,100	10.2300	5	260,865	0.1761
TF12 Variable - Summer	2,435	5.6830	7	96,867	0.0654
TF12 Variable - Winter	2,435	13.8660	5	168,819	0.1140
TF5	3,410	15.1530	5	258,359	0.1745
TFX	5,930	15.1530	5	449,286	0.3034
TFX Negotiated Contract	1,000	26.8918	5	134,459	0.0908
FT-A - Zone 1-1	5,000	4.7507	7	166,275	0.1123
FDD-1 Reservation	4,640	1.7140	12	95,436	0.0644
FDD-1 Demand Charge (Capacity Charge) 1/					0.0503
Total Demand Charges				\$1,833,249	\$1.2882
Estimated Weighted Average Commodity Cost	1,480,935	2/ 3.1620		4,682,716	3.1620
Total Current Firm Gas Cost				<u>\$6,515,965</u>	<u>\$4.4502</u>

Small and Large Volume Interruptible

Estimated Weighted Average Commodity Cost	\$3.1620
FDD-1 Demand Charge (Capacity Charge) 1/	0.0503
Total Current Interruptible Gas Cost	<u>\$3.2123</u>

	<u>\$/Dk</u>	
Rates Effective August 1, 2015 with Projected 2016 Commodity		
TF12 Base - Summer	\$5.6830	Per dk/Mo.
TF12 Base - Winter	10.2300	Per dk/Mo.
TF12 Variable - Summer	5.6830	Per dk/Mo.
TF12 Variable - Winter	13.8660	Per dk/Mo.
TF5	15.1530	Per dk/Mo.
TFX	15.1530	Per dk/Mo.
TFX Negotiated Contract	26.8918	Per dk/Mo.
FT-A - Zone 1-1 (Category 1)	4.7507	Per dk/Mo.
FDD-1 Reservation	1.7140	Per dk/Mo.
FDD-1 Demand Charge (Capacity Charge)	0.3567	Per dk/Mo.
Estimated Weighted Average Commodity Cost	3.1620	Per dk/Mo.

1/ Amount divided by projected 2016 firm and interruptible sales volumes.

	<u>Billing Determinants</u>	<u>Rate</u>	<u>Demand Months</u>	<u>Amount</u>	<u>Amount Per dk</u>
FDD-1 Demand Charge (Capacity Charge)	53,509	0.3567	5	\$95,433	0.0503

2/ Projected 2016 firm sales volumes.

**GREAT PLAINS NATURAL GAS CO.
BASE COST OF GAS - PROJECTED 2016
NORTH DISTRICT**

	<u>Total System Supply</u>	<u>NNG Base</u>
Estimated Cost Per Dk		
Commodity Cost of Gas		\$3.0533
<u>Transportation 1/</u>		
Northern Natural		0.0383
Viking		0.0130
<u>Fuel Transportation 2/</u>		
Northern Natural		0.0163
Viking		0.0000
LMS Demand 3/		0.0119
Total cost per dk		<u>3.1328</u>
Total Estimated dk Purchases 4/	2,527,095	2,527,095
Estimated Cost	\$7,916,883	\$7,916,883
Average Cost per Dk	<u>\$3.1328</u>	<u>\$3.1328</u>

1/ Northern 8th Revised Sheet 50 Market Area- Maximum
Viking FT-A Statement of Rates V22.0.0

2/ Transportation Fuel Percentage	<u>Base</u>	<u>Swing</u>
NNG	0.53%	0.53%
Viking	0.00%	0.00%

3/ Amount divided by Projected 2016 firm and interruptible sales volumes.

	<u>Billing Determinants</u>	<u>Rate</u>	<u>Demand Months</u>	<u>Amount</u>	<u>Amount Per dk</u>
LMS Demand	2,500	\$1.0000	12	\$30,000	\$0.0119

4/ Projected 2016 firm and interruptible sales volumes.

	<u>Required Annual</u>	<u>Days in Year</u>	<u>Required Daily</u>	<u>Percent Supply</u>
Estimated System Supply	2,527,095	365	6,924	100%

**GREAT PLAINS NATURAL GAS CO.
ESTIMATED GAS COSTS
BASE COST OF GAS - PROJECTED 2016
SOUTH DISTRICT**

	Total System Supply	Base	FDD-1 Storage 1/	SMS 2/
<u>Estimated Cost Per Dk</u>				
Commodity Cost of Gas		\$3.0606		
Transportation - Northern Natural		0.0383		
Injection/Withdrawal Fee		0.0000		0.0208
Fuel Transportation 3/		0.0163		
SMS Demand 4/		0.0345		
Total cost per dk		3.1497	0.0000	0.0208
Total Estimated dk Purchases 5/	1,897,312	1,897,312		
Estimated Cost	\$5,999,327	\$5,975,964	\$20,992	\$2,371
Average Cost per Dk		<u>\$3.1620</u>		

1/ Annual injections/withdrawals of 267,547 dk but since injections = withdrawals, commodity is included in purchases.

Storage Fuel

Dk	267,547
Adjusted for fuel dk	272,340
Fuel Costs	\$13,019

Injection/Withdrawal

Dk Injection	267,547
Dk Withdrawal	267,547
Total	<u>535,094</u>

Charge per dk 0.0149

Injection/Withdrawal cost \$7,973

2/ Monthly requirement of 9,500 dk.

3/ Transportation Fuel Percentage of	Base
Field Area and Other	0.00%
Market Area	0.53%
Total	<u>0.53%</u>

4/ Annual demand amount divided by projected 2016 firm and interruptible sales volumes.

	Billing Determinants	Rate	Demand Months	Amount	Amount Per dk
SMS	2,500	\$2.1800	12	\$65,400	\$0.0345

5/ Projected 2016 firm and interruptible sales volumes.

	Required Annual	Days in Year	Required Daily	Percent Supply
Estimated Dk Purchases	1,897,312	365	5,198	100%
Storage Gas (reflected in purchases)		365	0	0%
Total Dk Requirements	<u>1,897,312</u>		<u>5,198</u>	<u>100%</u>

**GREAT PLAINS NATURAL GAS CO.
RECONCILIATION OF PROJECTED SALES VOLUMES
WITH RATE CASE**

North District

Sales volumes included in rate case 1/	1,215,700
Great Plains North Dakota	<u>275,000</u>
Sales volumes included in base cost of gas	<u><u>1,490,700</u></u>

South District

Sales volumes included in rate case 1/	1,897,312
Sales volumes included in base cost of gas	1,897,312

1/ Statement C-1, page 5.

**GREAT PLAINS NATURAL GAS CO.
PROPOSED DK**

	Projected	
	2015	2016
<u>North District MN</u>		
Residential	687,246	694,198
Firm General	503,824	521,502
Small IT	339,927	339,927
Large IT	271,268	271,268
Total North District MN	<u>1,802,265</u>	<u>1,826,895</u>
<u>Wahpeton</u>		
Residential	149,100	141,600
Firm General	138,000	133,400
Small IT	370,400	425,200
Large IT		
Total Wahpeton	<u>657,500</u>	<u>700,200</u>
<u>Total North District</u>		
Residential	836,346	835,798
Firm General	641,824	654,902
Small IT	710,327	765,127
Large IT	271,268	271,268
Total North District MN	<u>2,459,765</u>	<u>2,527,095</u>
<u>South District</u>		
Residential	741,776	745,673
Firm General	707,518	735,262
Small IT	359,133	359,133
Large IT	57,244	57,244
Total South District	<u>1,865,671</u>	<u>1,897,312</u>
<u>Total Great Plains</u>		
Residential	1,578,122	1,581,471
Firm General	1,349,342	1,390,164
Small IT	1,069,460	1,124,260
Large IT	328,512	328,512
Total Great Plains	<u>4,325,436</u>	<u>4,424,407</u>

**GREAT PLAINS NATURAL GAS CO.
PIPELINE RATES
BASE COST OF GAS FILING
PROJECTED 2016**

Commodity

Viking

FT-A	0.0130	Viking V.22.0.0 FT-A Zone 1-1
Fuel Reimbursement	0.00%	Viking V.22.0.0 FT-A Zone 1-1

Northern

TF, TFX	0.0383	Northern 8th Revised Sheet 50 Market Area- Maximum
SMS	0.0208	Northern 1st Revised Sheet 55 SMS
Storage Withdrawal	0.0149	Northern 1st Revised Sheet 55 FDD - Maximum
Fuel Reimbursement - Transportation	0.53%	Northern 10th Revised Sheet 54
Fuel Reimbursement - Storage	1.76%	Northern 10th Revised Sheet 54

Demand Charges

Viking

FT-A Res - Zone 1-1	4.7507	Viking V.22.0.0 Category 1 FT-A Zone 1-1
FT-A Res - Zone 1-1	4.3706	Viking V.22.0.0 Category 3 FT-A Zone 1-1
FT-A Seasonal	4.7507	Viking V.22.0.0 Category 1 FT-A Zone 1-1
LMS Demand	1.0000	Viking V.22.0.0 Part 5

Northern

TF12 Base-Summer	5.6830	Northern 8th Revised Sheet 50 TF12 Base Summer
TF12 Base-Winter	10.2300	Northern 8th Revised Sheet 50 TF12 Base Winter
TF12 Variable-Summer	5.6830	Northern 8th Revised Sheet 50 TF12 Variable Summer
TF12 Variable-Winter	13.8660	Northern 8th Revised Sheet 50 TF12 Variable Winter
TF5	15.1530	Northern 8th Revised Sheet 50 TF5
TFX - Winter	15.1530	Northern 9th Revised Sheet 51 TFX
TFX - Summer	5.6830	Northern 9th Revised Sheet 51 TFX
SMS	2.1800	Northern 1st Revised Sheet 55 SMS
FDD-1 Reservation	1.7140	Northern 1st Revised Sheet 55 FDD - Maximum
FDD-1 Demand Charge	0.3567	Northern 1st Revised Sheet 55 FDD - Maximum
TFX Negotiated Contract	26.8918	Great Plains Natural Gas Co. Contract No. 127797