

## **Montana-Dakota Utilities – Natural Gas**

MDU serves about 81,000 natural gas customers in Montana in eastern Montana, including Billings. MDU purchases gas supplies under a number of contracts from about 20 to 25 suppliers located within the region and Canada and contracts for the use of storage facilities located in Montana and Wyoming. Commodity prices and pipeline rates fluctuate.

While Montana's largest utility pursued customer-choice options for natural gas service to all customers, MDU did not. MDU is a local distribution company providing natural gas service to its customers in Montana and is a public utility. The PSC has jurisdiction over public utilities pursuant to Title 69, Ch. 3, MCA. MDU offers transportation service to its larger customers with the ability to interrupt the use of natural gas upon request to do so. The transportation service customers purchase their natural gas requirements from a third party supplier.

The MDU bill provided as an example is for an approximately 1,300 square foot home and garage that use natural gas for heat and also have electric service from MDU. The bill accounts for usage between October 9 and November 4. The total monthly usage is 9.1 dekatherms, which is slightly less than the average residential usage of 120 dekatherms a year or 10 dekatherms a month. The average is determined over a year, with higher use in the winter months and minimal use in the summer.