

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.
Cost of Gas 2017
Tariff Monthly Adjustments

Case No. PU-17-8

ORDER ON PROTECTION OF INFORMATION

MAY 1, 2019

On December 14, 2016 Montana-Dakota Utilities Company (MDU), filed an application for protection of information pursuant to North Dakota Administrative Code Section 69-02-09-01 requesting a protective order limiting disclosure of "Trade Secret" information as defined by North Dakota Century Code Section 47-25.1-01(4).

The information for which MDU seeks protection is a portion of the monthly Cost of Gas filings that contains confidential information on gas commodity pricing including Demand charge monthly delivery quantities, Demand charge amounts excluding FT-1 MDDQ, Commodity Charge monthly delivery quantities excluding the Gas Commodity – System quantity, the Commodity charge quantities, the Fuel transportation rates of WBI, NB and NW as well as fuel storage rates and the Gas Commodity System rate.

MDU's application states that this information is confidential information because "if the information were released, competitors would be able to benefit from the information to the detriment of the Company and its customers. The confidential information is considered trade secret, as it provides an economic advantage in Montana-Dakota's gas contract negotiations." as provided for in North Dakota Century Code Section 44-04-18.4(2)(a).

MDU further states that the cost information is trade secret because it is information that "(1) Vendors and competitors would have an opportunity to obtain economic value from disclosure or use of the information; and (2) If publicly available, vendors could use the information to their advantage in contract negotiations, while competitors could use the information to leverage their positions in the marketplace to Montana-Dakota's detriment," as provided for in North Dakota Century Code Section 44-04-18.4(2)(d). As a result, MDU states that the information sought to be protected meets the definition of "trade secret" as set forth in North Dakota Century Code Section 47-25.1-01(4).

The information could have economic value to potential vendors and suppliers who may desire to bid to provide natural gas or natural gas services to MDU. In particular, potential suppliers would know what MDU has determined to be the cost range for certain components of its supply needs and consequently the cost range could potentially serve

as a floor, below which no bidder would submit a bid price. Such a result could be harmful for MDU's customers.

The confidentiality of this information has been maintained by MDU. The information is not disclosed to the public or to persons other than employees or authorized agents who need to know the information to fulfill their responsibilities in connection with MDU's natural gas purchases, or to third persons pursuant to nondisclosure agreement to maintain the confidentiality of the information. MDU has requested that this information be treated as trade secret in all of its monthly cost of gas filings.

North Dakota Century Code Section 44-04-18.4(1) authorizes protection of commercial and financial information if the information is privileged; the information has not been previously publicly disclosed; and disclosure would cause competitive injury to the person providing the information or impair the Commission from obtaining necessary information in the future. N.D.C.C. § 44-04-18.4(2)(a)-(b).

On April 1, 2019, Commission Staff reviewed the request and believes that the application satisfies the requirements, which allow the Commission to grant protection of information in this proceeding.

Having reviewed MDU's applications and Commission Staff's recommendation, the Commission has determined that the information satisfies the requirements of North Dakota Century Code for protection of information.

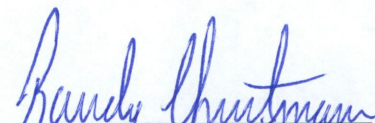
ORDER

The Commission orders the December 14, 2016 application of Montana-Dakota Utilities Company for Protection of Information is GRANTED.

PUBLIC SERVICE COMMISSION


Julie Fedorchak
Commissioner


Brian Kroshus
Chairman


Randy Christmann
Commissioner