

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Montana-Dakota Utilities
Natural Gas System - Ransom & Sargent Counties
Public Convenience & Necessity**

PU-17-123

**Montana-Dakota Utilities
Gas Transportation - Clark Equipment Company
Service Agreement(s)**

PU-17-144

Minutes

May 16, 2017

Called to order: Approximately 10:30 a.m.

By Commission Chairman Randall Christmann

Adjourned: Approximately 11:45 a.m.

Location: Public Service Commission Hearing Room
State Capitol - 12th Floor
600 E Boulevard Ave
Bismarck, North Dakota 58505

Re: Informal Hearing

Attendees:

Commissioner Christmann
Commissioner Fedorchak
Commissioner Kroshus
Illona A. Jeffcoat-Sacco, General Counsel
Jack Schuh, Legal Counsel
Victor Schock, Public Utilities Division
Steve Kahl, Technology Division
Don Larson, Odney Advertising Agency, Inc
Steve Bakken, Larson Engineering
Derrick Senger, MDU
Eric Spilde, Bobcat
Larry Oswald, MDU

Nathan Sundt, MDU
Karl Liepitz, MDU

Additional representatives of MDU also attended.

Minutes:

The commission first moved to consolidate the informal hearings on the two cases.

Commission Motion read by Commissioner Fedorchak:

Believing that there will be no prejudice to the rights of the parties or the public interest, and finding the cases involve similar questions of law and fact, I move the Commission consolidate the cases for purposes of hearing in Montana-Dakota Utilities Co., Inc a Division of MDU Resources Group, Inc., Natural Gas System – Ransom & Sargent Counties, Public Convenience & Necessity, Case No. PU-17-123 and Montana-Dakota Utilities Co., Inc a Division of MDU Resources Group, Inc., Gas Transportation – Clark Equipment Company, Service Agreement(s), Case No. PU-17-144.

The company provided evidence regarding the issues noted on each Notice of Opportunity for Hearing.

PU-17-123

The issues to be considered in this matter are:

1. Is there a need for the service?
2. Is MDU technically, financially and managerially fit and able to provide the service?
3. What is the effect on other public utilities providing similar service?
4. Is the proposed service adequate?

PU-17-144

The issues to be considered in approval of the natural gas transportation service agreement are:

1. What is the value of MDU's property, used and useful, for the service and convenience of the public in North Dakota?
2. What is MDU's rate of return on its property, used and useful, for the service and convenience of the public in North Dakota?
3. What is a just and reasonable rate of return on MDU's property, used and useful, for the service and convenience of the public in North Dakota?
4. What rates and charges are necessary to provide a just and reasonable rate of return on MDU's property, used and useful, for the service and convenience of the public in North Dakota?
5. Are MDU's proposed rate schedules designed in such a manner that they result in a basis of charge to its customers that is just and reasonable without discrimination?
6. Other relevant information or proposals concerning the proceeding.

The company responded to questions from staff and the commissioners, and agreed to a follow-up filing regarding the boundaries of the requested Certificate of Public Convenience and Necessity. The company expects to make the filing within a week.

The evidence received was made a part of the record in each of the two cases.