

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

June 1, 2017

Mr. Patrick Fahn
Mr. John Schuh
North Dakota Public Service Commission
State Capitol Building
Bismarck, ND 58505-0480

Re: Case No. PU-17-____
Request for Jurisdictional Determination
for Pipeline to Serve Clark Equipment
near Gwinner, North Dakota

Dear Mr. Fahn and Mr. Schuh:

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., herewith requests a jurisdictional determination regarding the applicability of Chapter 49-22 of the North Dakota Century Code to a new pipeline segment necessary to initially provide service to Clark Equipment Company dba Bobcat Inc. as requested in Case No. PU-17-123 and potentially other customers along the route traversing from a pipeline tap on the Alliance Pipeline near Milnor, North Dakota to Clark Equipment Company's facility at Gwinner, North Dakota.

Montana-Dakota has entered into a Gas Transportation Service Agreement to provide natural gas transportation service to Clark Equipment Company near Gwinner, North Dakota. Montana-Dakota has separately filed an Application with the North Dakota Public Service Commission requesting authority under N.D.C.C. Chapter 49-03.1 to provide such service. Montana-Dakota now requests a jurisdictional determination that a route permit is not required under N.D.C.C. Chapter 49-22 for Montana-Dakota to build a twenty-one mile twelve-inch pipeline from a tap on the Alliance Pipeline near Milnor, North Dakota for delivery to Clark Equipment's facility at Gwinner, North Dakota.

Title 49 CFR Part 192.3 defines a Distribution Line as a pipeline other than a gathering or transmission line. The pipeline to be installed is not a gathering line and does not meet the definition of a transmission line denoted as a pipeline, other than a gathering line, that (1) Transports gas from a gathering line or a storage facility to a distribution center, storage facility, or large volume customer that is not down-stream from a distribution center, (2) operates at a hoop stress of 20 percent or more of SMYS, or (3) transports gas within a storage field.

The Company plans to use SDR-11 bimodal high-density polyethylene (HDPE) 4710 pipe that is currently authorized by the US Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHSMA) at a maximum operating pressure of 102 psi with a rule change pending that would allow a maximum operating pressure of 125 psi. Montana-Dakota plans to pressure test the pipe for a maximum allowable operating pressure of 125 psi but operate at 102 psi until such time the proposed rule goes into effect. Montana-Dakota uses this pipe throughout its intermediate distribution system.

The pipeline will be connected to a pressure reducing station located at the Alliance Pipeline Tap and will operate at a pressure in accordance with 49 CFR Part 192.123. The line will be odorized at the outlet of the connection with the Alliance pipeline, upstream of a shut off valve to be owned by Montana-Dakota, and will be available to serve customers at that point. As noted in Case Nos. PU-17-123 and PU-17-144, additional customers have expressed interest in connecting with the natural gas extension and Montana-Dakota will be marketing the use of the pipeline to additional customers.

The pipeline will be installed and maintained in conformance with the federal pipeline safety standards as well as safety standards adopted by the North Dakota Public Service Commission. Montana-Dakota will also have a Wetland's Delineation Study conducted through the pipeline route, as well as a literature search for cultural resource sites, and any necessary permits will be obtained from the Federal Corp of Engineers or other agencies as required.

The line is functionally equivalent to a distribution main downstream of a distribution center. Therefore, Montana-Dakota respectfully requests a determination that the proposed pipeline provides a distribution function similar to that provided to any other end use customers served directly of a distribution center off an interstate pipeline system.

Please contact me at 701.222.7856 or tamie.aberle@mdu.com if you have questions or need additional information to make a determination regarding this natural gas line necessary to serve Bobcat at Gwinner, North Dakota.

Sincerely,

A handwritten signature in purple ink that reads "Tamie A. Aberle". The signature is written in a cursive style.

Tamie A. Aberle
Director of Regulatory Affairs

Attachments

Cc: Karl Liepitz
Nathan Sundt
Mike Schoepp