

# Dakota Natural Gas, LLC

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September 19, 2018

## VIA FIRST CLASS U.S. MAIL AND EMAIL

Mr. Darrell Nitschke, Executive Secretary  
North Dakota Public Service Commission  
600 E. Boulevard Ave., Dept. 480  
Bismarck, ND 58505-0480

RE: Application for Certificate of Public Convenience and Necessity  
Dakota Natural Gas, LLC  
Case No. PU-18-224  
Proposed Order

Dear Mr. Nitschke:

Enclosed herewith, please find a proposed Order for the Commission's consideration in the above-referenced case. A Word version of the proposed Order has been submitted via e-mail for ease of editing purposes.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 665-8657 and my email address is [kanderson@greatermngas.com](mailto:kanderson@greatermngas.com).

Sincerely,

DAKOTA NATURAL GAS, LLC



Kristine A. Anderson  
Corporate Attorney & Regulatory Affairs

Enclosure

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Dakota Natural Gas, LLC  
Natural Gas System – Drayton, ND  
Public Convenience and Necessity**

Case No. PU-18-224

**ORDER**

*Date*

**Preliminary Statement**

On June 28, 2018, Dakota Natural Gas, LLC (DNG) filed an application for a Certificate of Public Convenience and Necessity to construct and operate a natural gas system in and around the City of Drayton, Pembina County in North Dakota to provide natural gas service to the Drayton, North Dakota area and other potential customers located along the proposed pipeline route.

DNG proposes construction and operation of natural gas pipe from an interconnect point with the Viking pipeline near Donaldson, Minnesota to serve the Drayton community. The facilities will include approximately 1.5 miles of pipe from the North Dakota border to DNG's regulator station, wherein part of the line will continue approximately one mile to serve a large retail customer and an additional section of line totaling approximately 6.5 miles will be constructed to serve the City of Drayton and surrounding community retail customers. DNG expects to invest approximately \$3.74 million in new facilities to serve the Drayton area customers.

On July 9, 2018, the North Dakota Public Service Commission (the "Commission") issued a Notice of Opportunity for Hearing providing until August 31, 2018 to receive written comments or requests for hearing. No comments or hearing requests were received. The Notice provided that the Commission could determine this Case without a hearing if deemed appropriate. The notice identified the following issues to be considered:

1. Is there a need for the service?
2. Is DNG 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?

The Commission scheduled an informal hearing to begin September 5, 2018 at 1:30 p.m. CST in the Commission Hearing Room, State Capital, 600 E. Boulevard Avenue, 12<sup>th</sup> Floor, Bismarck, North Dakota 58505. The Commission held the informal hearing, as scheduled, and discussed the issues with DNG and Commission Staff therein.

**Discussion**

The Commission, having considered this matter and having reviewed the Application, all information provided by DNG addressing the issues identified in the Notice, and the complete record herein, finds:

1. Dakota Natural Gas, LLC, a North Dakota limited liability company, is duly authorized to provide natural gas distribution service to retail customers in North Dakota.
2. The natural gas facilities to be constructed by DNG will provide natural gas service to the Drayton community, an area that is not now served with natural gas. There is a public need and demand for natural gas as a fuel and the best interests of the Drayton area community will be served by the granting the Certificate of Public Convenience and Necessity.
3. DNG is technically, financially, and managerially fit and able to provide the service requested.
4. The proposed facilities will not adversely affect other public utilities providing similar service in the area to be served.
5. The proposed service is adequate to meet the Drayton area community's needs.

Having determined that the issuance of a Certificate of Public Convenience and Necessity is compatible with the public interest in this Case, the Commission issues the following:

### **Order**

The Commission Orders:

1. DNG's Application for a Certificate of Public Convenience and Necessity is GRANTED.
2. Certificate of Public Convenience and Necessity No. \_\_\_\_\_ is issued to DNG authorizing it to construct and operate natural gas facilities to serve the City of Drayton, Pembina County, North Dakota and surrounding area.

### **PUBLIC SERVICE COMMISSION**

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**Brian Kroshus**  
Commissioner

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**Randy Christmann**  
Chairman

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**Julie Fedorchak**  
Commissioner