

Dakota Natural Gas, LLC

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September 10, 2018

VIA FEDERAL EXPRESS AND EMAIL

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

RE: Submission of Initial Tariff
Dakota Natural Gas, LLC

Dear Mr. Nitschke:

Enclosed herewith, please find an original and seven copies of the proposed initial tariff for Dakota Natural Gas, LLC (DNG), submitted to the Commission pursuant to its statutory authority to establish just, reasonable, and non-discriminatory rates. DNG respectfully requests that the Commission approve its proposed tariff provisions for its intended initiation of natural gas distribution in the Drayton, North Dakota area.

Please note that DNG anticipates changes in address and phone numbers once a North Dakota service center is opened. Additionally, DNG anticipates creating its standard forms subsequent to approval of the tariff so that they are predicated on approved provisions and language. DNG proposes submitting its standard forms and any address and phone number changes in a compliance filing(s) after the tariff is approved.

DNG recognizes that North Dakota Century Code § 49-05 requires applicants for rate increases (via a rate case) to submit an application fee of one hundred seventy-five thousand dollars; but, respectfully notes that it also gives the Commission discretionary authority to waive or reduce the fee. DNG believes that such a substantial fee is predicated on the need for hearings and proceedings associated with a rate case that simply are not present in this situation. Conversely, the fee for standard tariff changes is only fifty dollars. DNG did inquire of Staff regarding the matter and Staff recommended that DNG request a reduced fee. While Staff's initial suggestion was \$50,000, DNG respectfully requests that the fee be waived or reduced to no more than \$10,000. As DNG's other filings note, the initial customer base is only anticipated to be 200 customers, none of whom will be required to convert to natural gas. Given the substantial difference between an initial tariff proposal and a full rate case process, the administrative burdens are significantly less. Moreover, given DNG's new status and lack of any customers at this time, such a high application fee would be unduly burdensome and would create a significant adverse impact on the economic feasibility of the proposed project.

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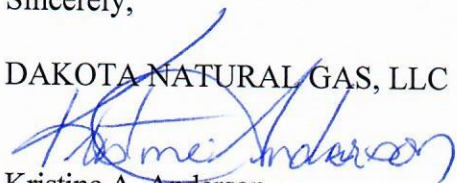
Mr. D. Nitschke

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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.

Sincerely,

DAKOTA NATURAL GAS, LLC



Kristine A. Anderson

In-House Corporate Attorney (Minnesota) & Regulatory Affairs

Enclosures