

**NORTH DAKOTA PUBLIC SERVICE COMMISSION**

**DATA REQUEST**

Requested From: Dakota Natural Gas, LLC  
Requested By: Advisory Staff  
Date of Request: 04/27/2020

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1. NDPSC Request No. 1: Does the following describe the project?

A 4-inch steel pipeline is to be constructed starting at a town border station near Beltrami, MN, and ending at a point near the site of a large customer located approximately ½ mile from Hillsboro, ND. There will be a tap or interconnect on the 4-inch line in order to attach a pipe network (including regulator station) that will serve the community of Mayville. There will be a tap or interconnect on the 4-inch line in order to attach a pipe network (including regulator station) that will serve the community of Hillsboro. There will be a tap/interconnect on the 4-inch line in order to attach a pipe network (including a regulator station) that will serve the large customer.

**RESPONSE:** *Yes, the paragraph describes the project. However, DNG believes that it would make sense to change the language slightly regarding the communities of Mayville and Hillsboro as indicated below. That way, to the extent that additional unserved area customers can be served, there is no suggestion that the project description was not accurate.*

*A 4-inch steel pipeline is to be constructed starting at a town border station near Beltrami, MN, and ending at a point near the site of a large customer located approximately ½ mile from Hillsboro, ND. There will be a tap or interconnect on the 4-inch line in order to attach a pipe network (including regulator station) that will serve an area in Traill County that includes Mayville. There will be a tap or interconnect on the 4-inch line in order to attach a pipe network (including regulator station) that will serve an area in Traill County that includes Hillsboro. There will be a tap/interconnect on the 4-inch line in order to attach a pipe network (including a regulator station) that will serve the large customer.*

*DNG notes that this project design is similar to that used in the Drayton project. DNG also notes that it may install additional taps along the line to serve customers in the future in the event that the service would meet DNG’s main extension rules contained in its tariff as approved by the Commission.*

NDPSC Request No. 2: One characteristic of a transmission line is that it transports gas to a distribution center, or to a large customer that is not down-stream of a distribution center. Please provide an [sic] briefing that neither Mayville nor Hillsboro meets the definition of a distribution center.

**RESPONSE:** *The term “distribution center” is synonymous with “Town Border Station”. It is the point where gas enters piping that is used primarily to deliver gas to customers who purchase it for*

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consumption as opposed to customers who purchase it for resale. Here is one example of a PHMSA interpretation that supports that interpretation:

<https://www.phmsa.dot.gov/regulations/title49/interp/PI-91-0103>. The distribution center for the line in this project is the Beltrami TBS. Neither community constitutes a “distribution center” within the meaning of the term and the customers in those communities will be purchasing gas for their own consumption rather than for resale purposes.

NDPSC Request No. 3: Is it the case that, since the large customer has its own tap/interconnection on the 4-inch steel pipeline, the large customer is not provided gas downstream of the pipe network that will distribute gas to customers in Hillsboro?

**RESPONSE:** *The pipe network that will distribute gas to customers in Hillsboro starts at the TBS in Beltrami, MN. At that point, the pressure is reduced from the transmission line and gas is transferred to DNG for distribution. Some of that gas will be distributed to the Mayville area, some to the Hillsboro area, and some to the large volume customer. All of the points are downstream of the distribution center, which is the Beltrami TBS.*

NDPSC Request No.4: Should Dakota Natural Gas decide to provide gas service to additional Traill County communities, would those communities also be served with a pipe network that has a tap or interconnection on the 4-inch steel pipeline?

**RESPONSE:** *If additional Traill County communities are served, those communities would also be served with a pipe network that has a tap or interconnection on the 4-inch steel pipeline. However, depending on the location of a community and volume of gas required, a community may be able to receive service through the taps or interconnections that will be installed to serve Hillsboro, Mayville, or the large customer by extending the plastic pipe systems that will serve those customers.*

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