

**MONTANA-DAKOTA UTILITIES CO.
NORTH DAKOTA PUBLIC SERVICE COMMISSION
DATA REQUEST TO MONTANA-DAKOTA UTILITIES CO.
ISSUED JUNE 1, 2020
CASE NO. PU-20-219
DEFERRED ACCOUNTING - GAS**

- 1.1 As of what date are you requesting to start tracking the incremental costs for deferred accounting treatment?

Response

March 13, 2020, the date Governor Burgum established a state of emergency.

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- 1.2 Are you requesting deferred accounting treatment for expense items only, or for reduced revenues also?

Response

As noted in the Application, Montana-Dakota requests that the deferred accounting order allow for the deferral of reduced revenue as well as incremental expenses.

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- 1.3 If you are requesting for reduced revenues, are there specific types/categories of reduced revenues, or are you requesting any/all reduced revenues?

Response

Montana-Dakota is requesting the authority to defer lost margins related to the COVID-19 pandemic if determined to be directly related and quantifiable and the loss in late payment revenues.

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- 1.4 How do you intend to value the reduced revenue amount(s)? What accurate measurement can be used to determine an amount that does not exist?

Response

Montana-Dakota has not made that determination at this time but in the event lost revenues are identified Montana-Dakota will be prepared to support any lost revenues requested to be recovered under a separate filing that would need to be submitted to the Commission.

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- 1.5 Do you also intent to track items of reduced cost? I.E. there should be some reduction in expenses for meter readings, since manual meter readings were suspended.

Response

Montana-Dakota does intend to track items with reduced costs that are related to the COVID-19 pandemic. This would potentially include training and related travel costs.

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1.6 What types of expense items do you anticipate needing to track? What specific items or categories?

Response

The Company is working to identify the types of costs and savings that are related to the pandemic. The following is a list of potential costs and savings to include in the regulatory asset. This is not intended to be an exhaustive list at this time as the requirements necessary to address pandemic related issues continues to evolve. Cost estimates are not available at this time.

- Increase in bad debt expense
- Late payment fees waived or short-term cost of debt
- Cell phone priority costs
- PPE (masks, gloves, hand sanitizer, wipes, etc.)
- Additional computers
- Additional network/broadband/internet/software costs
- Issuance costs related to incremental short-term borrowings
- Load reductions specifically identified as related to the pandemic
- The above items could be offset by:
 - Lower travel costs
 - Lower training costs

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- 1.7 What are the types and amounts of COVID-19 related expenses and reduced revenue items you are already experiencing? I realize full picture items are likely not yet available, but any preliminary views would be helpful.

Response

Please see Response No. 1.6.