

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Montana-Dakota Utilities Co.  
NG Distribution System – Cass and Richland  
Public Convenience & Necessity**

**Case No. PU-21-386**

**ORDER**

**March 30, 2022**

**Preliminary Statement**

On September 10, 2021, Montana-Dakota Utilities Co. (MDU) filed an Application for a Certificate of Public Convenience and Necessity (Application) to construct and operate a natural gas distribution system to portions of Cass and Richland Counties in North Dakota.

On September 22, 2021, the North Dakota Public Service Commission (Commission) issued a Notice of Opportunity for Hearing providing until October 22, 2021, for receiving written comments or requests for hearing. No response or request for hearing was received prior to October 22, 2021.

On December 15, 2021, the Commission discussed these matters with MDU and Commission staff during an informal hearing.

On December 31, 2021, Northern States Power Company (NSP) filed comments and a request to intervene in the case.

On January 28, 2022, MDU filed an amended application reducing the area for which it is seeking a certification of public convenience and necessity.

On February 8, 2022, NSP filed comments in support of MDU's amended application.

On February 23, 2022, the Commission issued a Notice of Opportunity for Hearing providing until March 23, 2022, for receiving written comments or requests for hearing. No response or request for hearing was received prior to March 23, 2022. The notice identified the following issues to be considered:

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

### **Discussion**

During the December 15, 2021 informal hearing the following was offered and accepted into the official record.

MDU is a Division of MDU Resources Group, Inc., a Delaware corporation, authorized to provide public utility service in North Dakota under the regulatory jurisdiction of the Commission. MDU will provide natural gas service to portions of Cass County as depicted in Attachment C of its Application, and all of Richland County.

MDU proposes to construct and operate a distribution system for the service area along the route of a WBI Energy transmission line planned to run from Mapleton to north of Wahpeton, North Dakota. The planned in-service date is the fall of 2024.

The primary driver of this project is to increase the capacity of the Wahpeton, North Dakota system by providing firm service to large customers that the current system is only able to serve on an interruptible basis. The residents in the subject service area currently rely on alternative heating sources such as propane, coal, electricity, and wood. MDU anticipates signing approximately 40-60% of households in the nearby towns if they are granted franchise approval.

MDU's amended application reduces the certification area to the city of Kindred and its environs, which is legally identified as Sections 27, 28, 29, 32, 33 and 34 of Township 137 North, Range 50 West.

Based on the record and having received no objections, the Commission finds:

1. There is a need for the service.
2. MDU is technically, financially and managerially fit and able to provide the service.
3. With the amended application there is no longer an effect on other public utilities providing similar service since NSP is now in support of the proposed area.
4. The proposed service is adequate.
5. It is in the public interest that a Certificate of Public Convenience and Necessity be issued to MDU for the purpose of providing natural gas service in the portion of Cass County, North Dakota identified in MDU's amended application.

## Order

The Commission orders:

1. MDU's application for a Certificate of Public Convenience and Necessity to construct and operate a natural gas distribution system to serve Sections 27, 28, 29, 32, 33 and 34 of Township 137 North, Range 50 West in Cass County as depicted in Attachment A of MDU's amended filing on January 28, 2022, is granted.
2. Certificate of Public Convenience and Necessity No. 5964 is issued to MDU to construct and operate a natural gas distribution system to serve Sections 27, 28, 29, 32, 33 and 34 of Township 137 North, Range 50 West in Cass County as depicted in Attachment A of MDU's amended filing on January 28, 2022 in North Dakota.

### PUBLIC SERVICE COMMISSION

  
Randy Christmann  
Commissioner

  
Julie Fedorchak  
Chair

  
Sheri Haugen-Hoffart  
Commissioner

# **PUBLIC SERVICE COMMISSION**

## **STATE OF NORTH DAKOTA**

### **Certificate of Public Convenience and Necessity**

#### **Certificate Number 5964**

*This is to certify that public convenience and necessity require, and permission is granted for Montana-Dakota Utilities Co., to construct and operate a natural gas distribution system to serve Sections 27, 28, 29, 32, 33 and 34 of Township 137 North, Range 50 West in Cass County as depicted in Attachment A of the amended application filed January 28, 2022 in North Dakota.*

*This certificate is issued in accordance with the Order of this Commission dated March 30, 2022 in Case No. PU-21-386, and is subject to the conditions and limitations noted in the Order.*

*This certificate is conditioned upon Montana-Dakota Utilities Co. securing the franchise or other authority of the proper municipal or other public authority for the exercise of these rights and privileges.*

*Bismarck, North Dakota, March 30, 2022.*

**ATTEST:**

**PUBLIC SERVICE COMMISSION**

  
**Executive Secretary**

  
**Commissioner**