

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

**Dakota Natural Gas, LLC**  
**Natural Gas Facilities – Portland, ND – Traill Cnty**  
**Public Convenience & Necessity**

**Case No. PU-21-424**

**ORDER**

**January 18, 2022**

**Preliminary Statement**

On November 4, 2021, Dakota Natural Gas, LLC (DNG) filed an Application for a Certificate of Public Convenience and Necessity to construct and operate a natural gas system to serve the town of Portland and its environs (service area) in Traill County, North Dakota.

On December 1, 2021, the North Dakota Public Service Commission (Commission) issued a Notice of Opportunity for Consolidated Hearing providing until January 3, 2022, for receiving written comments or requests for hearing. No response or request for hearing was received. 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?

On January 5, 2022, the Commission discussed these matters with DNG and Commission staff during an informal hearing.

**Discussion**

During the January 5, 2022 informal hearing the following was offered and accepted into the official record.

DNG is a limited liability company organized under the laws of North Dakota. DNG is a wholly owned subsidiary of Greater Minnesota Transmission, LLC, a Minnesota limited liability company (GMT). GMT is a subsidiary of Greater Minnesota Synergy, Inc.,

a Minnesota corporation (GMS). GMS and its subsidiaries have provided similar natural gas service in Minnesota since 1995. DNG has provided natural gas service to the Drayton, North Dakota community and its environs for the 2020-2021 heating season, which was DNG's first project in North Dakota. Since that time, DNG has also provided service to the Hillsboro and Mayville communities and their environs for the 2021-2022 heating season.

DNG proposes to construct and operate a distribution system for the service area in Traill County, North Dakota. The distribution system will begin at an existing point in DNG's distribution system near Mayville, North Dakota. The total cost of the distribution system is estimated to be approximately \$755,900. DNG proposes to supply the distribution system via a combination of 2" and 4" plastic main line.

The residents in the subject service area currently rely on alternative heating sources such as propane, coal, electricity, and wood. DNG anticipates signing approximately 123 customers in the proposed service territory. At the informal hearing, James Murphy, Executive Director of the Traill County Economic Development Commission, and Sven Mickels, Mayor of the City of Portland, stated that their respective organizations support the project and that the availability of natural gas would benefit businesses and residents in the area. There are no other public utilities providing similar service in the respective Traill County areas.

DNG has service centers located in Hillsboro and Drayton, North Dakota, and is a member of the American Gas Association, which has a larger mutual aid agreement with other natural gas companies for emergency response. Neither GMS nor any of its subsidiaries have filed for bankruptcy, temporarily or permanently ceased operation, had difficulty remaining competitive with an alternative heating source, or been subject to a revocation proceeding. GMT and GMS are guarantors of DNG debt and DNG benefits from shared management, personnel, scalability, and overhead of GMS. DNG also stated that it has the financing available to add service to the area. The Company will have insurance dedicated to DNG sufficient to cover any emergent liability.

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

1. There is a need for the service.
2. DNG is technically, financially and managerially fit and able to provide natural gas service in North Dakota.
3. There is no effect on other public utilities providing similar service.
4. The proposed service is adequate.
5. It is in the public interest that the Certificate of Public Convenience and Necessity be issued to provide natural gas service to the service area in Traill County, North Dakota.

**Order**

The Commission orders:

1. DNG's application for a Certificate of Public Convenience and Necessity to construct and operate a natural gas distribution system to serve the town of Portland and its environs, in Traill County, North Dakota is granted.
2. Certificate of Public Convenience and Necessity No. 5965 is issued to DNG to construct and operate a natural gas distribution system to the town of Portland and its environs, in Traill County, North Dakota.

**PUBLIC SERVICE COMMISSION**

		<b>Vacant</b>
<b>Randy Christmann</b> Commissioner	<b>Julie Fedorchak</b> Chair	

**PUBLIC SERVICE COMMISSION**

**STATE OF NORTH DAKOTA**

**Certificate of Public Convenience and Necessity**

**Certificate Number 5965**

*This is to certify that public convenience and necessity require, and permission is granted for Dakota Natural Gas, LLC, to construct and operate a natural gas distribution system to serve the town of Portland and its environs location in Traill County, North Dakota.*

*This certificate is issued in accordance with the Order of this Commission dated January 18, 2022 in Case No. PU-21-424, and is subject to the conditions and limitations noted in the Order.*

*This certificate is conditioned upon Dakota Natural Gas, LLC 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, January 18, 2022.*

**ATTEST:**

**PUBLIC SERVICE COMMISSION**

  
\_\_\_\_\_  
**Executive Secretary**

  
\_\_\_\_\_  
**Commissioner**