



Public Service Commission

State of North Dakota

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April 11, 2022

Public Service Commission
Attention: Steve Kahl - Executive Director
600 East Boulevard Avenue, Dept 408
Bismarck, ND 58505-0480

In re: Montana-Dakota Utilities Co.
Gas Service Extension Policy
Tariff
Case No. PU-21-452

Dear Mr. Kahl,

On December 21, 2021 Montana-Dakota Utilities Co. (MDU) filed an application with the Commission to consolidate its Interruptible Gas Service Extension Policy Rate 119 and its Firm Gas Service Extension Policy Rate 120 under one rate schedule to be called Gas Service Extension Policy Rate 120. In the renamed Gas Service Extension Policy Rate 120 MDU revises its rules and regulations applicable to all gas service extensions on a go forward basis. MDU was required to file a modification to this tariff no later than January 1, 2022 pursuant to settlement provision 9 from its last general natural gas rate case PU-20-379.

On March 7, 2022, MDU filed revisions to its proposed changes based on discussions between MDU and Advocacy Staff (Staff).

On March 15, 2022 MDU filed additional revisions after noticing an omission in the March 7, 2022 filing.

Staff conducted a review of MDU's application and the two revisions to ascertain if the changes comply with the settlement agreement from case PU-20-379 and are in the public interest.

The proposed changes serve to help ensure existing customers are not subsidizing new customers. These specific changes include a requirement that any extension project designated as system betterment must be listed individually with supporting details and justification in MSU's next general rate case. Additionally, customer protections have been added in the event a bond or letter of credit fails to cover the required financial obligation.

11 **PU-21-452** Filed: 4/11/2022 Pages: 2
Staff recommendation letter

Public Service Commission Advocacy Staff

Victor Schock

Based on this and the details contained within the filing, Staff recommends approval of MDU's tariff revision.

Respectfully,



Victor Schock
NDPSC Advocacy Staff

cc: Travis Jacobson travis.jacobson@mdu.com (via email)