

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Montana-Dakota Utilities Co.  
Gas Service Extension Policy  
Tariff**

**Case No. PU-21-452**

**ORDER**

**May 25, 2022**

**Preliminary Statement**

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.

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.

On March 30, 2022, the North Dakota Public Service Commission (Commission) issued a Notice of Opportunity for Hearing providing until May 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. Whether the proposed tariff changes are reasonable?
2. Whether the tariff changes should be approved?

**Discussion**

MDU's proposed tariff revisions were required pursuant to Settlement provision 9 in its last natural gas general rate case no. PU-20-379. Provision 9 provides "Montana-Dakota and Advocacy Staff agree to collectively modify rate 120 tariff in a way that mutually addresses the needs of the Company and ensures North Dakota natural gas customers are not subsidizing growth projects in Montana-Dakota's service territory."

MDU's proposed revisions eliminate separate firm and interruptible gas extension tariffs and combine them into a single tariff. In addition to the consolidation, the revisions

require that any extension project designated as system betterment by MDU be listed individually with supporting details and justification in MDU's next general natural gas rate case, and also holds North Dakota ratepayers harmless in the event a bond or letter of credit from a developer fails to cover the required financial obligation for a main or service line extension project. These changes serve to protect North Dakota ratepayers from subsidizing growth projects or inadequate bonding.

Based on the record and having received no objections, the Commission finds MDU's proposed tariff revisions are reasonable and prudent.

### Order

The Commission orders Montana-Dakota Utilities Co's proposed tariff revisions are APPROVED as filed on March 7, 2022, and March 15, 2022.

### PUBLIC SERVICE COMMISSION

		
<b>Randy Christmann</b> Commissioner	<b>Julie Fedorchak</b> Chair	<b>Sheri Haugen-Hoffart</b> Commissioner