

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.
Cost of Gas 2022
Tariff Monthly Adjustments

Case No. PU-22-8

STAFF RESPONSE TO APPLICATION FOR PROTECTION OF INFORMATION

On October 13, 2021, Montana-Dakota Utilities Company (MDU), filed an application for a protective order under North Dakota Administrative Code Section 69-02-09 for protecting against public disclosure protected information as defined by North Dakota Century Code Section 47-25.1-01(4).

The information for which MDU seeks protection is a portion of the monthly Cost of Gas filings that contains confidential information on gas commodity pricing including Demand charge monthly delivery quantities, Demand charge amounts excluding FT-1 MDDQ, Commodity Charge monthly delivery quantities excluding the Gas Commodity – System quantity, the Commodity charge quantities, the Fuel transportation rates of WBI, NB and NW as well as fuel storage rates and the Gas Commodity System rate.

MDU's application states that this information is confidential information because "if the information were released, competitors would be able to benefit from the information to the detriment of the Company and its customers. The confidential information is considered trade secret, as it provides an economic advantage in Montana-Dakota's gas contract negotiations." as provided for in North Dakota Century Code Section 44-04-18.4(2)(a).

MDU further states that the cost information is trade secret because it is information that "(1) Vendors and competitors would have an opportunity to obtain economic value from disclosure or use of the information; and (2) If publicly available,

vendors could use the information to their advantage in contract negotiations, while competitors could use the information to leverage their positions in the marketplace to Montana-Dakota's detriment," as provided for in North Dakota Century Code Section 44-04-18.4(2)(d). As a result, MDU states that the information sought to be protected meets the definition of "trade secret" as set forth in North Dakota Century Code Section 47-25.1-01(4).

The information could have economic value to potential vendors and suppliers who may desire to bid to provide natural gas or natural gas services to MDU. In particular, potential suppliers would know what MDU has determined to be the cost range for certain components of its supply needs and consequently the cost range could potentially serve as a floor, below which no bidder would submit a bid price. Such a result could be harmful for MDU's customers.

The confidentiality of this information has been maintained by MDU. The information is not disclosed to the public or to persons other than employees or authorized agents who need to know the information to fulfill their responsibilities in connection with MDU's natural gas purchases, or to third persons pursuant to nondisclosure agreement to maintain the confidentiality of the information. MDU has requested that this information be treated as trade secret in all of its monthly cost of gas filings.

North Dakota Administrative Code Section 69-02-09-03 requires that the Commission staff examine the information and application and make a recommendation to the Commission.

Staff believes that the application satisfies the requirements of the North Dakota Century Code for protection of information. The Commission's process provides a means

for interested parties to review protected documents upon signing a nondisclosure agreement.

For reasons set forth above, Staff recommends that the Commission grant the application of MDU to protect certain information filed in this case.

Dated this 8th day of March 2022.



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