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Send us an email: dng@dakotaturalgas.com

February 18, 2022

Mr. Steve Kahl, Executive Secretary
North Dakota Public Service Commission
600 E. Boulevard Ave., Dept. 480
Bismarck, ND 58505-0480

RE: Miscellaneous Tariff Revision – **NO ADVERSE RATE IMPACT**
Dakota Natural Gas, LLC

Dear Mr. Kahl:

Dakota Natural Gas, LLC (DNG) submits this letter application for administrative changes to its tariff to the North Dakota Public Service Commission (Commission) for the Commission's consideration and approval. Included with this letter are revised tariff sheets reflecting the changes which, upon approval, will replace the prior sheets as appropriate. The changes will take effect upon Commission approval. This proposed tariff revision will not adversely impact affect customer rates. To the extent that any filing fee is required, DNG respectfully requests that the Commission apply the remaining balance from its \$10,000 filing fee in Case No. PU-21-431, which case is concluded with an anticipated unused filing fee balance well in excess of \$9,000, to this matter.

DNG seeks these changes for three reasons. First, DNG takes the opportunity to make some administrative changes including updating contact information and names for the sake of currency.

Second, DNG adjusts the upper usage limit for its General Firm Service Rate Code SCS1 and, likewise, it adjusts the usage floor for its General Firm Service Rate Code CS1. As a practical matter, DNG uses the same size meter for customers using less than 4,999 Ccf annually regardless of whether they are residential or small commercial customers and, therefore, DNG believes that fairness and common-sense dictate that the facility fees should be equal because meter cost and DNG resource use are equal. Since usage over 4,999 Ccf annually requires a larger meter with attendant increased DNG resource use, it is appropriate that the facility fee be higher than that assessed for smaller sized meters. DNG's proposed change will not increase the facility fee for any customers. A number of DNG's existing small commercial customers are using more gas than originally planned but will not exceed 4,999 Ccf use annually. As a result, those customers' meters will not need to be changed and DNG will not be expending additional resources to serve them. Adjusting the usage ceiling for the SCS1 rate class will enable DNG to keep those customers' facility fees stable rather than necessitating an increase based solely on usage without any corresponding change to the facilities.

Third, DNG adjusts its standard main extension length to 125 feet. DNG's costs for service extensions have increased for both time and materials. Nearly all of DNG's prospective



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customers will have service extensions that are less than 125 feet from the main line; ergo, changing the standard service extension length will not adversely impact them. Adjusting the standard main extension length allows DNG to balance its increasing costs with its desire to maintain rates that are as low as possible while still providing a reasonable standard service extension range.

DNG's proposed revised tariff sheets, along with a redlined version to easily identify the changes, is included herewith. DNG respectfully requests that the Commission approve the tariff revision at its earliest convenience.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 209-2110 and my email address is kanderson@greatermngas.com.

Sincerely,

DAKOTA NATURAL GAS, LLC

s/
Kristine A. Anderson
Corporate Attorney (Minnesota) & Regulatory Affairs

Enclosures

DAKOTA NATURAL GAS, LLC

GAS RATE BOOK

**SCHEDULE OF
RATES, CHARGES, RULES, AND REGULATIONS**

for

GAS SERVICE

in the

STATE OF NORTH DAKOTA

Filed with the North Dakota Public Service Commission
November 14, 2018

Effective January 1, 2020, as Amended

Dakota Natural Gas, LLC
~~202 South Main Street~~ 1900 Cardinal Lane
P.O. Box 6798
~~Le Sueur~~ Faribault, Minnesota 5605855021

By: Gregory Palmer,
President & CEO

**Dakota Natural Gas, LLC
Gas Rate Book**

CONTACT INFORMATION

**Section III
Sheet No. 1**

Contact information for Dakota Natural Gas, LLC personnel is listed below.

<u>For Matters Related To:</u>	<u>Contact:</u>
Rates, Rules, and Related Matters <u>Lane</u>	Greg Palmer <u>Cody Chilson</u> President & CEO Dakota Natural Gas, Inc. 202 South Main Street <u>1900 Cardinal</u> P.O. Box 6798 Le Sueur <u>Faribault</u> , Minnesota 56058 <u>55021</u> 1-888- 931-3411 <u>933-9743</u>
Emergencies & Outages answering 24/7)	1-888- 931-3411 <u>933-9743</u> (Live
Customer Service answering 24/7)	1-888- 931-3411 <u>933-9743</u> (Live

Date Filed: ~~November 14, 2018~~February 18, 2022
By: ~~Gregory Palmer~~Cody Chilson, President & ~~CEO~~

Case No. PU-~~18-34522~~-

Order Date: ~~December 13~~ , ~~2018~~2022

Dakota Natural Gas, LLC
Gas Rate Book

TECHNICAL TERMS AND ABBREVIATIONS

Section IV
Sheet No. 1

Company does not employ any technical or special terms which are unique to the application of any of its rate schedules, rules or regulations. All terms used by Company are common terms in the industry.

Rate Area 1

~~City of Drayton~~
~~Drayton Township~~ See Section IV, Sheet No. 1

<u>Rate Schedule</u>	<u>Class Code</u>
General Service Firm Rate Area 1	RS1 SCS1 CS1
General Interruptible Service	IND1
General Service Transportation Rate	TR1
Contractually Established Transportation Rate	TR2

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**Dakota Natural Gas, LLC
Gas Rate Book**

**GENERAL FIRM SERVICE RATE
Rate Code SCS1**

**Section V
Sheet No. 2**

Availability

Available to any firm customer for use of natural gas service in Rate Area 1.

Applicability and Character of Service

Rate schedule applies to firm gas service for small commercial customers whose normal requirements do not exceed ~~14~~,999 Ccf annually. Small commercial customers are defined as those that use gas for a business enterprise in space occupied and operated for nonresidential purposes. Typical service locations include stores, offices, shops, restaurants, boarding houses, hotels, service garages, wholesale houses, filling stations, barber shops, beauty salons, master metered apartment houses, common areas of shopping malls or apartments (such as halls or basements), churches, elevators, schools, and facilities located away from the home site including garages and out buildings. This is not an all-inclusive list.

Therm Adjustment

Customer's consumption in Ccf will be adjusted to reflect 1,000 Btu per cubic foot, base pressure 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

Rate

Facility Fee per Month	\$16.00
Distribution Charge per Ccf	\$0.377
Cost of Gas per Ccf	\$_____

Determination of Cost of Gas

The Cost of Gas is the Company's Cost of Gas as provided for in the Cost of Gas clause herein.

Monthly Minimum Charge

Facility Fee.

Late Payment Charge

Any unpaid balance over \$10.00 is subject to a 1.5% late payment charge or \$1.00, whichever is greater, after the date due. The charge may be assessed as provided in the General Rules and Regulations, Section VI-2.

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Gas Rate Book**

**GENERAL FIRM SERVICE RATE
Rate Code CS1**

**Section V
Sheet No. 3**

Availability

Available to any firm customer for use of natural gas service in Rate Area 1.

Applicability and Character of Service

Rate schedule applies to firm gas service for customers whose normal requirements exceed ~~41~~,999 Ccf annually.

Therm Adjustment

Customer's consumption in Ccf will be adjusted to reflect 1,000 Btu per cubic foot, base pressure 14.73 PSIA, and a gas temperature of 60 degrees Fahrenheit.

Rate

Facility Fee per Month	\$100.00
Distribution Charge per Ccf	\$0.375
Cost of Gas per Ccf	\$ _____

Determination of Cost of Gas

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Monthly Minimum Charge

Facility Fee.

Late Payment Charge

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Section 4 Extension Rules

4.1 Main Extension Policy

Subject to the availability of gas supply and upstream pipeline transportation and the ability to install facilities in compliance with pipeline safety regulations, Company will extend its gas mains and services to an applicant where such extensions meet the main extension criteria listed below. When such conditions are not met, an extension may be constructed if applicant makes an appropriate advance payment to Company:

- A. When water and sewer service by a municipal or regional water authority have been or will be installed within the next twelve (12) months in the right-of-way serving potential customers.
- B. When economic feasibility, including future growth expectations and commercial and industrial loads provide projected annual gross margins (revenue – cost of gas) equal to or greater than 18% of Company’s projected project costs. A gas service agreement specifying minimum use may be used to assure economic feasibility based on projected annual gross margin.
- C. When system capacity upgrades dictate installation of new mains to meet the capacity needs, where customer additions are secondary to the increased system capacity.

In situations where customer contributions are required, each customer will be required to pay a contribution such that gross margins are projected to be 18% of estimated project costs after excluding costs equal to the customers’ contribution in aid of construction.

The above provisions do not apply to contractual transportation projects. The reasonableness and appropriateness of the return on investment of a contractual transportation extension is reviewed in the Transportation Agreement filed with each project, as required by the Contractual Transportation Service Rate, contained in Section V of Company’s tariff.

4.2 Service Extension Policy

A service line up to ~~250~~125 feet may be installed for each meter set on a customer’s premises without capital contribution. Any footage beyond the ~~250~~125 feet will be charged at Company’s estimated material and contractor cost for the excess footage at the time of installation.

(Continued on Sheet No. VI-11)

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