

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Montana-Dakota Utilities Co.
Electric Service Agreement – Applied Blockchain
Approval**

Case No. PU-22-371

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **23rd day of February 2023** she deposited in the United States Mail at Bismarck, North Dakota, **five envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:**

- **Interim Order**

The envelopes were addressed as follows:

Travis Jacobson
Director Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501
Cert. No. 7021 2720 0000 4438 6736

Allison Waldon
Attorney
MDU Resources Group, Inc.
PO Box 5650
Bismarck, ND 58506-56560
Cert. No. 7021 2720 0000 4438 6743

Paul Sanderson
Evenson Sanderson PC
1100 College Drive, Suite 5
Bismarck, ND 58501
Cert. No. 7021 2720 0000 4438 6750

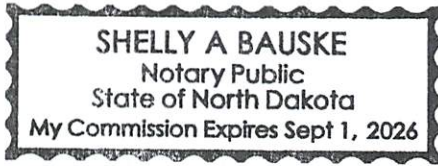
Ross Espeseth
Bormann, Myerchin, Espeseth & Edison, LLP
PO Box 995
Bismarck, ND 58502-0995
Cert. No. 7021 2720 0000 4438 6767

Stephen Campbell
Clark Hill PLC
500 Woodward, Suite 3500
Detroit, MI 48226
Cert. No. 7021 2720 0000 4438 6774

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **23rd day of February 2023**.





SEAL



Notary Public

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

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INTERIM ORDER

February 22, 2023

Preliminary Statement

On September 21, 2022, Montana-Dakota Utilities Co. (MDU) filed an application for approval of an Electric Service Agreement (ESA) with Applied Blockchain (APLD). The agreement provides that the customer would take electric service from MDU under the High Density Demand Response Rate 45 schedule.

On October 27, 2022, the Commission issued a Notice of Opportunity for Hearing, which provided until December 8, 2022, for receiving written comments and hearing requests. The notice provided that, if deemed appropriate, the Commission can determine the matter without a hearing.

The notice identified the issues to be considered in this proceeding are:

1. What is the value of MDU's property, used and useful, for the service and convenience of the public in North Dakota?
2. What is a just and reasonable rate of return on MDU's property, used and useful, for the service and convenience of the public in North Dakota?
3. What rates and charges are necessary to provide and just and reasonable rate of return on MDU's property, used and useful, for the service and convenience of the public in North Dakota?
4. Are MDU's rate schedules designed in such a manner that they result in a basis of charge to its customers that is just and reasonable without undue discrimination?
5. Whether the electric service agreement should be approved?

On December 8, 2022, Marathon Petroleum Company LP (Marathon) filed comments on the proposed ESA.

On January 24, 2023, APLD filed a letter in support of the ESA.

On January 31, 2023, MDU submitted an application to establish margin sharing related to the ESA.

On February 3, 2023, Marathon filed a request to intervene in this proceeding.

Discussion

MDU proposes to serve APLD at a location near Ellendale, ND that MDU was granted a certificate of public convenience and necessity by the Commission in Case No. PU-22-370 on February 8, 2023.

The APLD facility will be a 180-megawatt interruptible load forecasted to use approximately 1.4 billion kilowatt hours per year.

APLD's January 24, 2023, letter noted that they desire to take service under this rate schedule in mid-February 2023.

The Commission believes it is in the best interest of the customers and the parties to approve the proposed ESA on an interim basis subject to refund or additional charges, with a hearing and development of the case to be completed withing the next 90 days.

Marathon is a large, energy intensive customer that may be substantially impacted by the margin sharing application and requests an opportunity to review and participate in the proceeding. No objection to the Petition to Intervene was received.

Order

The Commission Orders:

1. On an interim basis, Montana-Dakota Utility Co.'s Electric Service Agreement with Applied Blockchain is approved.
2. Montana-Dakota Utilities Co. shall use regulatory accounting treatment to track the revenues and expenses provided for and resulting from this Electric Service Agreement.
3. The Electric Service Agreement is subject to refund or additional charges pending the final outcome in this proceeding.
4. Marathon's Request to Intervene is granted.

PUBLIC SERVICE COMMISSION

Sheri Haugen-Hoffart

**Sheri Haugen-Hoffart
Commissioner**

Randy Christmann

**Randy Christmann
Chair**

Julie Fedorchak

**Julie Fedorchak
Commissioner**