

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.
Rate Schedule - Kindred Expansion Surcharge
Tariff and Rates

Case No. PU-23-294

ORDER

January 24, 2024

Preliminary Statement

On August 28, 2023, Montana-Dakota Utilities Co. (MDU) filed an application to implement a new tariff and rate schedule applicable to customers taking service within the city limits of Kindred, North Dakota.

On December 13, 2023, the Commission issued a Notice of Opportunity for Hearing (Notice) providing until January 22, 2024, to receive comments or requests for hearing. No comments or requests for hearing were received.

The Notice stated that the issues to be considered in this proceeding are:

1. Are the proposed tariff additions and changes reasonable?
2. Is MDU's proposed rate schedule designed in such a manner that it results in a basis of charge to its customers that is just and reasonable without undue discrimination?
3. Other relevant information or proposals concerning the proceeding?

The Notice stated that, if deemed appropriate, the Commission can determine the matter without a hearing.

On November 8, 2023, the Commission held an Informal Hearing to discuss the application with MDU.

Discussion

The proposed Kindred Expansion Surcharge Rate 76 (Rate 76) permits MDU to recover the costs related to the expansion of natural gas service to and within the city limits of Kindred, North Dakota, over and above the maximum allowable investment provided for under MDU's gas service extension policy Rate 120.

Customers taking service within the city of Kindred would be MDU natural gas service customers, who would be billed in accordance with the applicable MDU natural

gas rate schedule. In addition to the standard rate schedule, they would also be charged the Kindred expansion surcharge.

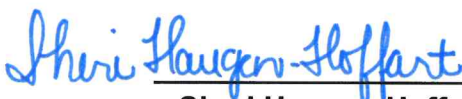
The proposed rate is composed of an initial upfront payment of \$250 for residential and increases for other classes of service up to \$1500 for small interruptible (Rate 71). There is also a monthly fee component of \$30 per month for residential and increases for other classes of service up to \$150 for Rate 71. Firm general service and interruptible service will pay an additional volumetric expansion commodity charge which will be \$3.25 per dekatherm for firm general service and \$4.00 per dekatherm for interruptible.

The Commission has reviewed the documents and evidence in this proceeding and finds that the proposed tariff is just and reasonable, the proposed rates comply with the tariff, and finds the basis of charge to MDU's customers is just and reasonable without undue discrimination.

Order

The Commission Orders Montana-Dakota Utilities Co.'s Kindred Expansion Surcharge Rate 76 tariff and rates, filed on August 28, 2023, is approved.

PUBLIC SERVICE COMMISSION



Sheri Haugen-Hoffart
Commissioner



Randy Christmann
Chair



Julie Fedorchak
Commissioner