

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Dakota Natural Gas, LLC
Natural Gas Pipeline – Larimore & Arvilla, ND
Tariff

Case No. PU-23-301

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 **25th day of October 2023**, she deposited in the United States Mail, at Bismarck, North Dakota, **one** envelope with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

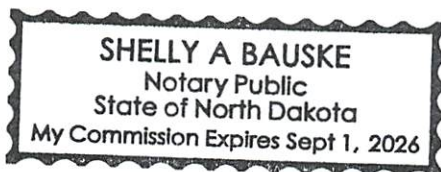
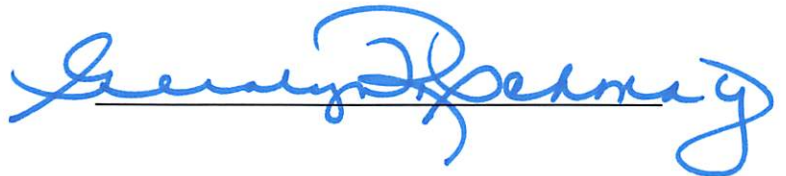
- Order

The envelope was addressed as follows:

Kristine Anderson
Dakota Natural Gas LLC
1900 Cardinal Lane
PO Box 798
Faribault, MN 55021
Cert. No. 9589 0710 5270 1582 7536 33

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

Subscribed and sworn to before me
this **25th day of October 2023**.



SEAL



Notary Public

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Dakota Natural Gas, LLC
Natural Gas Pipeline – Larimore & Arvilla, ND
Tariff

Case No. PU-23-301

ORDER

October 24, 2023

Preliminary Statement

On August 31, 2023, Dakota Natural Gas, LLC (DNG) filed a request to update its Tariff to add new service area to Larimore and Arvilla, North Dakota and their environs.

On September 6, 2023, the North Dakota Public Service Commission (Commission) issued a Notice of Opportunity for Consolidated Hearing providing until October 20, 2023, for receiving written comments or requests for hearing. No requests for hearing were received. The notice identified the following issues to be considered.

1. Are the proposed changes reasonable?
2. Is there other relevant information the Commission should consider?

On October 9, 2023, the City of Larimore filed comments in support of DNG's application.

On October 11, 2023, the Commission discussed these matters with DNG and Commission staff during an informal hearing.

Discussion

During the October 11, 2023, informal hearing the following was offered and accepted into the official record.

DNG is a limited liability company organized under the laws of North Dakota. DNG is a wholly owned subsidiary of Greater Minnesota Transmission, LLC, a Minnesota limited liability company (GMT). GMT is a subsidiary of Greater Minnesota Synergy, Inc., a Minnesota corporation (GMS). GMS and its subsidiaries have provided similar natural gas service in Minnesota since 1995. DNG has provided natural gas service to the Drayton community and its environs for the 2020-2021 heating season. DNG provided service to the Hillsboro and Mayville communities and their environs for the 2021-2022 heating season and the Portland community for the 2022-2023 heating season.

DNG proposes to construct and operate a distribution system service the cities of Larimore and Arvilla, North Dakota and their environs. The distribution system will begin at an interconnection point with Northern States Power Company near the Grand Forks Air Force Base. The total cost of the distribution system is estimated to be approximately \$3.46 million. DNG proposes to supply the distribution system via a combination of 2", 4" and 6" plastic main line.

DNG's anticipated customer count is based upon its review of the relevant Larimore and Arvilla communities and rates of conversion seen in similarly sized communities that DNG has brought service to in the past. DNG proposed to add the Larimore and Arvilla service area under new Tariffs with their own rates. All other terms and conditions will be the same for the new service area and the existing service area.

The estimated value of DNG's property for the Larimore and Arvilla project, to be used and useful for the service and convenience of the public in North Dakota, is \$3.46 million. As a small natural gas utility that recently commenced operations, DNG's request is a just and reasonable rate of return for the estimated value of DNG's property, to be used and useful, for the service and convenience of the public in North Dakota, subject to continued monitoring by the Commission and possible future adjustment once operations are better established.

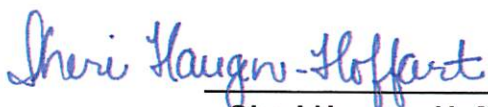
Based on the record and having received no objections, the Commission finds DNG's proposed addition of the cities of Larimore and Arvilla and their environs service area to its tariffs is reasonable and prudent.

Order

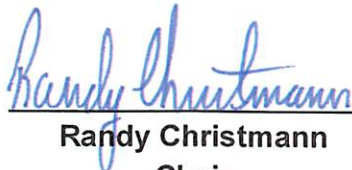
The Commission Orders:

1. DNG's proposal to add Larimore and Arvilla, North Dakota and their environs under new tariffs is approved.
2. DNG shall make a compliance filing with its updated tariff sheets within ten (10) days of issuance of this Order.

PUBLIC SERVICE COMMISSION



Sheri Haugen-Hoffart
Commissioner



Randy Christmann
Chair



Julie Fedorchak
Commissioner