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EL00-020

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SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

 **MONTANA-DAKOTA**  
**UTILITIES CO.**

A Division of MDU Resources Group, Inc.

400 North Fourth Street  
Bismarck, ND 58501  
(701) 222-7900

May 31, 2000

Mr. William Bullard, Jr.  
Executive Director  
South Dakota Public Utilities Commission  
State Capitol  
500 East Capitol  
Pierre, SD 57501-5070

Re: Updated Cogeneration Rates

Dear Mr. Bullard:

In accordance with South Dakota Codified Laws, Chapter 49-34A, Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith requests Commission approval to revise its Occasional Power Purchase Non-Time Differentiated Rate 95, Short-Term Power Purchase Time Differentiated Rate 96 and Long-Term Power Purchase Time Differentiated Rate 97. This filing is made in compliance with the Commission's Order No. F-3365 and in accordance with the Special Terms and Conditions of these tariffs which state that the rate schedules will be reviewed annually and revised upon the Commission's approval.

The methodology used in developing the proposed rates is identical to that used in developing the rates currently on file. The proposed energy payments for Rates 95, 96 and 97 were generated by Montana-Dakota's production costing model (ProSym) and reflect a test year of July 2000 through June 2001. The capacity payments are based on the Mid-Continent Area Power Pool purchase prices. Included as Attachment A is the data used to support the proposed energy payments and monthly capacity payments. Workpapers depicting the calculation of the proposed metering charges are provided in Attachment B and reflect updated meter costs and carrying charges.

Included herein is a second set of the affected tariffs on which Montana-Dakota has indicated the revisions requested by lining through the existing language which the Company proposes to delete and clearly highlighting the new language proposed. In accordance with the Administrative Rules of South Dakota (ARSD), 20:10:13:39(6), it is noted that the proposed rate changes will not affect any customers since no customers are presently served on any of Montana-Dakota's cogeneration or small power production rates in South Dakota. Included as Attachment C is the South Dakota "Report of Tariff

Schedule Change" form required pursuant to ARSD 20:10:13:26. In addition, included as Attachment D is the "Data Requirements" in accordance with the Commission's Order No. F-3563 which discloses certain information for miscellaneous filings.

The Company will comply with ARSD 20:10:13:18 by posting the Notice shown in Attachment E in a conspicuous place in each business office in its affected electric service territory in South Dakota for at least 30 days before the change becomes effective.

Please refer all inquiries regarding this filing to:

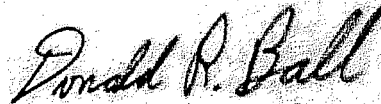
Donald R. Ball  
Director of Regulatory Affairs  
Montana-Dakota Utilities Co.  
400 North Fourth Street  
Bismarck, ND 58501

The original and ten (10) copies of this Letter of Transmittal and tariffs have been provided to the South Dakota Public Utilities Commission in accordance with ARSD 20:10:13:27.

Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

Sincerely,



Donald R. Ball  
Director of Regulatory Affairs

Attachment



OCCASIONAL POWER PURCHASE Rate 95  
NON-TIME DIFFERENTIATED

**AVAILABILITY:**

To any qualifying cogeneration and small power production (COP/SPP) facilities for the purpose of generating occasional electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under IC CR, Part 292.

**RATE:**

Metering charge for single phase service	\$1.90 per month
Metering charge for three phase service	\$4.95 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

1.608¢ per Kwh

(Energy delivered per month to Company is limited to 500 Kwh per month. Delivery in excess of this limit will not be compensated.)

**ENERGY SALES TO SMALL QUALIFYING FACILITY:**

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, general service, etc.) that is currently on file with the Commission.

**SPECIAL TERMS AND CONDITIONS:**

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.

(Continued)

Date Filed: June 1, 2000

Effective Date

Issued By: C. Wayne Fox, Vice President  
Regulatory Affairs & General Services



SHORT-TERM POWER PURCHASE Rate 96  
TIME DIFFERENTIATED

AVAILABILITY:

To any qualifying cogeneration and small power production (COC/SPP) facilities for the purpose of generating short-term electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

RATE:

Metering charge for single phase service \$ 5.65 per month  
Metering charge for three phase service \$12.45 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

SUMMER - April 1 through September 30

ON-PEAK OFF-PEAK

2.022¢ per Kwh 1.224¢ per Kwh

Summer Peak Periods: The On-Peak Period is defined as those hours between 7 a.m. and 11 p.m. Central Time, Monday through Friday in Central Time zones, and between 6 a.m. and 10 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

WINTER - October 1 through March 31

ON-PEAK OFF-PEAK

2.091¢ per Kwh 1.274¢ per Kwh

Winter Peak Periods: The On-Peak Period is defined as those hours between 8 a.m. and 10 p.m. Central Time, Monday through Friday in Central Time zones, and between 7 a.m. and 9 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

Definitions of on-peak and off-peak periods are subject to change with change in Company's system operating characteristics.

(Continued)

Date Filed: June 1, 2000

Effective Date:

Issued By: C. Wayne Fox, Vice President -  
Regulatory Affairs & General Services



LONG-TERM POWER PURCHASE Rate 97  
TIME DIFFERENTIATED

**AVAILABILITY:**

To any qualifying cogeneration and small power production (COG/SPP) facilities for the purpose of generating long-term electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

**RATE:**

Metering charge for single phase service                   \$ 5.65 per month  
Metering charge for three phase service                   \$12.45 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

SUMMER - April 1 through September 30

ON-PEAK

2.022c per Kwh

OFF-PEAK

1.224c per Kwh

Summer Peak Periods: The On-Peak Period is defined as those hours between 7 a.m. and 11 p.m. Central Time, Monday through Friday in Central Time zones, and between 6 a.m. and 10 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

WINTER - October 1 through March 31

ON-PEAK

2.091c per Kwh

OFF-PEAK

1.274c per Kwh

Winter Peak Periods: The On-Peak Period is defined as those hours between 8 a.m. and 10 p.m. Central Time, Monday through Friday in Central Time zones, and between 7 a.m. and 9 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

Definitions of on-peak and off-peak periods are subject to change with change in Company's system operating characteristics.

(Continued)

Date Filed: June 1, 2000

Effective Date: \_\_\_\_\_

Issued By: C. Wayne Fox, Vice President  
Regulatory Affairs & General Services

(Continued)

LONG-TERM POWER PURCHASE Rate 97  
TIME DIFFERENTIATED

Monthly capacity payments will be made on the basis of actual avoidance of capacity during the months of January, June through September, and December. Such payments are to be based on the capacity cost of base load generation.

Monthly capacity payment = \$7.50 per Kw

Monthly capacity payments will be made based on a monthly 85 percent on-peak period capacity factor for the months of January, June through September, and December. The capacity factor is the quotient of the average monthly on-peak period metered capacity (Kw) delivered to the Company during a month, divided by the maximum monthly on-peak metered capacity (Kw) delivered to the Company during a month. All referenced metered capacity readings refer to one hour measured demands (Kw). The monthly capacity payment applicable for the months of January, June through September, and December will be made based on the following formula:

$$\text{MCP} = \frac{\text{MCP per Kw} \times \text{MCF}}{.85} \times \text{maximum monthly on-peak demand (Kw)}$$

where: MCP = Monthly Capacity Payment  
MCF = Monthly On-Peak Period Capacity Factor

**ENERGY SALES TO SMALL QUALIFYING FACILITY:**

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, general service, etc.) that is currently on file with the Commission.

**SPECIAL TERMS AND CONDITIONS:**

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.

(Continued)

Date Filed: June 1, 2000

Effective Date:

Issued By: C. Wayne Fox, Vice President -  
Regulatory Affairs & General Services



# **Tariffs Reflecting Proposed Changes**



# MONTANA-DAKOTA ELECTRIC RATE SCHEDULE

UTILITIES CO.  
A Division of MDU Resources Group, Inc.  
400 North Fourth Street  
Bismarck, ND 58501

SD P.U.C.

Section No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Cancelling \_\_\_\_\_

## OCCASIONAL POWER PURCHASE Rate 95 NON-TIME DIFFERENTIATED

### AVAILABILITY:

To any qualifying cogeneration and small power production (COG/SPP) facilities for the purpose of generating occasional electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 15 CFR Part 292.

### RATE:

Metering charge for single phase service ~~\$1.9501~~ .95 per month  
Metering charge for three phase service ~~\$2.9501~~ .95 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

~~1.5166~~ 1.608¢ per Kwh

(Energy delivered per month to Company is limited to 600 kwh per month. Delivery in excess of this limit will not be compensated.)

### ENERGY SALES TO SMALL QUALIFYING FACILITY:

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, general service, etc.) that is currently on file with the Commission.

### SPECIAL TERMS AND CONDITIONS:

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.

(CONTINUED)

Date Filed: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Issued By: C. Wayne Fox, Vice President  
Regulatory Affairs & General Services



SHORT-TERM POWER PURCHASE Rate 96  
TIME DIFFERENTIATED

**AVAILABILITY:**

To any qualifying cogeneration and small power production (COG/SPP) facilities for the purpose of generating short-term electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

**RATE:**

Metering charge for single phase service	\$ 6-10\$ 5.65 per month
Metering charge for three phase service	\$14-20\$12.45 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

SUMMER - April 1 through September 30

ON-PEAK

1-812¢2.022¢ per Kwh

OFF-PEAK

1-167¢1.224¢ per Kwh

Summer Peak Periods: The On-Peak Period is defined as those hours between 7 a.m. and 11 p.m. Central Time, Monday through Friday in Central Time zones, and between 6 a.m. and 10 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

WINTER - October 1 through March 31

ON-PEAK

1-946¢2.091¢ per Kwh

OFF-PEAK

1-267¢1.274¢ per Kwh

Winter Peak Periods: The On-Peak Period is defined as those hours between 8 a.m. and 10 p.m. Central Time, Monday through Friday in Central Time zones, and between 7 a.m. and 9 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

Definitions of on-peak and off-peak periods are subject to change with change in Company's system operating characteristics.

(Continued)

Date Filed: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Issued By: C. Wayne Fox, Vice President  
 Regulatory Affairs & General Services

Cancelling \_\_\_\_\_

LONG-TERM POWER PURCHASE Rate 97  
TIME DIFFERENTIATED

AVAILABILITY:

To any qualifying cogeneration and small power production (COG/SFP) facilities for the purpose of generating long-term electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

RATE:

Metering charge for single phase service      \$ ~~6.40~~ \$ 5.65 per month  
Metering charge for three phase service      \$ ~~14.20~~ \$ 12.45 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

SUMMER - April 1 through September 30

ON-PEAK

OFF-PEAK

~~1.812~~  $\epsilon$  2.022c per Kwh

~~1.167~~  $\epsilon$  1.224c per Kwh

Summer Peak Periods: The On-Peak Period is defined as those hours between 7 a.m. and 11 p.m. Central Time, Monday through Friday in Central Time zones, and between 6 a.m. and 10 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

WINTER - October 1 through March 31

ON-PEAK

OFF-PEAK

~~1.946~~  $\epsilon$  2.091c per Kwh

~~1.267~~  $\epsilon$  1.274c per Kwh

Winter Peak Periods: The On-Peak Period is defined as those hours between 8 a.m. and 10 p.m. Central Time, Monday through Friday in Central Time zones, and between 7 a.m. and 9 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

Definitions of on-peak and off-peak periods are subject to change with change in Company's system operating characteristics.

(Continued)

Date Filed: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Issued By: C. Wayne Fox, Vice President  
Regulatory Affairs & General Services



(Continued)

LONG-TERM POWER PURCHASE Rate 97  
TIME DIFFERENTIATED

Monthly capacity payments will be made on the basis of actual avoidance of capacity during the months of January, June through September, and December. Such payments are to be based on the capacity cost of base load generation.

Monthly capacity payment = \$15.34\$7.50 per Kw

Monthly capacity payments will be made based on a monthly 85 percent on-peak period capacity factor for the months of January, June through September, and December. The capacity factor is the quotient of the average monthly on-peak period metered capacity (Kw) delivered to the Company during a month, divided by the maximum monthly on-peak metered capacity (Kw) delivered to the Company during a month. All referenced metered capacity readings refer to one hour measured demands (Kw). The monthly capacity payment applicable for the months of January, June through September, and December will be made based on the following formula:

$$MCP = \frac{MCP \text{ per Kw} \times MCF}{.85} \times \text{maximum monthly on-peak demand (Kw)}$$

where: MCP = Monthly Capacity Payment

MCF = Monthly On-Peak Period Capacity Factor

**ENERGY SALES TO SMALL QUALIFYING FACILITY:**

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, general service, etc.) that is currently on file with the Commission.

**SPECIAL TERMS AND CONDITIONS:**

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.

(Continued)

Date Filed: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Issued By: C. Wayne Fox, Vice President  
Regulatory Affairs & General Services



## South Dakota Lambda 2000

<u>Month</u>		<u>Lambda</u>		
		<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
		<u>\$/MWh</u>	<u>\$/MWh</u>	<u>\$/MWh</u>
July	2000	20.12	12.16	15.75
Aug.	2000	21.09	12.07	16.53
Sep.	2000	18.75	11.65	14.96
Oct.	2000	17.40	11.52	13.96
Nov.	2000	20.96	12.62	16.19
Dec.	2000	19.88	12.42	15.37
Jan.	2001	21.86	13.07	16.87
Feb.	2001	22.49	13.45	17.21
Mar.	2001	22.85	13.33	17.27
Apr.	2001	20.00	11.95	15.71
May	2001	20.33	13.27	16.76
June	2001	21.03	12.31	16.38
Average		20.56	12.49	16.08
Summer		20.22	12.24	16.02
Winter		20.91	12.74	16.15

Rate 96    Monthly Capacity Payments  
 \$6.00/kW-Month (Estimate for MAPP Schedule J)

Rate 97    Monthly Capacity Payments  
 \$7.50/kW-Month (MAPP Schedule B)

MONTANA-DAKOTA UTILITIES CO.  
ELECTRIC UTILITY - SOUTH DAKOTA  
CALCULATION OF METERING CHARGES  
RATE 95  
JUNE 2000

Metering Charge for Single Phase Service

Estimated Cost of a Single Phase Meter Including Installation and Testing	\$111.00
Annual Carrying Cost Rate for Capital	<u>13.481%</u>
Annual Carrying Cost Per Meter	\$14.96
Annual O&M Expense Per Single Phase Meter (\$0.64*12)	<u>7.68</u>
Total Annual Cost of Meter	<u>\$22.64</u>
Monthly Customer Charge	<u>\$1.89</u>

Metering Charge for Three Phase Service

Estimated Cost of a Three Phase Meter Including Installation and Testing	\$577.00
Annual Carrying Cost Rate for Capital	<u>13.481%</u>
Annual Carrying Cost Per Meter	\$77.79
Annual O&M Expense Per Three Phase Meter (\$1.46*12)	<u>17.52</u>
Total Annual Cost of Meter	<u>\$95.31</u>
Monthly Customer Charge	<u>\$7.94</u>

**MONTANA-DAKOTA UTILITIES CO.  
ELECTRIC UTILITY - SOUTH DAKOTA  
CALCULATION OF METERING CHARGES  
RATE 96  
JUNE 2000**

**Metering Charge for Single Phase Service**

Estimated Cost of a Single Phase TOD Demand Meter Including Installation and Testing	\$291.00
Annual Carrying Cost Rate for Capital 1/	<u>15.481%</u>
Annual Carrying Cost Per Meter	\$45.05
Annual O&M Expense Per Single Phase TOD Meter (\$0.64*12*3) 2/	<u>23.04</u>
Total Annual Cost of Meter	<u>\$68.09</u>
Monthly Customer Charge	<u>\$5.67</u>

**Metering Charge for Three Phase Service**

Estimated Cost of a Three Phase TOD Demand Meter Including Installation and Testing	\$627.00
Annual Carrying Cost Rate for Capital 1/	<u>15.481%</u>
Annual Carrying Cost Per Meter	\$97.07
Annual O&M Expense Per Three Phase TOD Meter (\$1.46*12*3) 2/	<u>52.56</u>
Total Annual Cost of Meter	<u>\$149.63</u>
Monthly Customer Charge	<u>\$12.47</u>

- 1/ Per Malcolm R. Ketchum's testimony (Appendices C and D), for an EPRI rate design study, topic 5, task force 5, it was indicated that the annual carrying cost for an electric TOD meter is 3% higher than a conventional meter. We used 2%.
- 2/ Per Malcolm R. Ketchum's testimony (Appendices C and D), for an EPRI rate design study, topic 5, task force 5, it was indicated that the O&M for an electric TOD meter will be three times greater than a conventional meter.

Report of Tariff Schedule Change

NAME OF UTILITY: Montana-Dakota Utilities Co.  
 ADDRESS: 400 North Fourth Street  
 Bismarck, ND 58501

Section No.	Class of Service	New Sheet No.
3	Occasional Power Purchase Rate 95	28
3	Short-Term Power Purchase Rate 96	29
3	Long-Term Power Purchase Rate 97	30 - 30.1

Change: Rates  
 (State part of tariff schedule affected by change, such as: Applicability, availability, rates, etc.)

Reason for Change Reflect updated metering costs and avoided energy costs

Present Rates .....  
 Proposed Rates .....  
 Approximate annual reduction in revenue ..... N/A  
 Approximate annual increase in revenue ..... N/A

Points Affected	Estimated Number of Customers Whose Cost of Service will be:					
	Reduced		Increased		Unchanged	
	# of Customers	Amount in \$	# of Customers	Amount in \$	# of Customers	Amount in \$
All	N/A	N/A	N/A	N/A	N/A	N/A

Include Statement of Facts, expert opinions, documents and exhibits supporting the change requested

Received: \_\_\_\_\_

Montana-Dakota Utilities Co.  
 (Reporting Utility)

By: \_\_\_\_\_  
 Executive Director  
 South Dakota  
 Public Utilities Commission

By: C. Wayne Fox, Vice President  
 Regulatory Affairs & General Services  
 (Name and Title)

**DATA REQUIREMENTS**  
**PURSUANT TO DOCKET NO. F-3563**

1. Background

The currently effective Rates 95, 96 and 97 were filed on June 1, 1999, and were approved by the Commission on June 25, 1999. The energy payments currently on file for these rates were generated by Montana-Dakota's production costing model (ProSym) for the 12 months ending June 30, 2000. The capacity payments in effect for Rates 96 and 97 are based on the Mid-Continent Area Power Pool (MAPP) purchase prices under which Montana-Dakota may purchase capacity in six-month increments which themselves are based on combustion turbine and base load generation costs. The current monthly capacity payment for Rate 96 reflects a MAPP Schedule J purchase price. The current monthly capacity payment for Rate 97 reflects a MAPP Schedule B purchase price. In addition, in accordance with the Commission's Decision and Order (F-3365), the currently effective rate schedules reflect the fact that no capacity payments will be made until capacity can actually be shown to be avoided.

After reviewing the metering charges and energy and capacity payments currently on file for Rates 95, 96 and 97, Montana-Dakota believes that these rate schedules need to be updated to reflect the projected metering costs and the avoided energy and capacity costs for the test year of July 1, 2000 through June 30, 2001. The methodology used in developing the proposed rates is identical to that used in developing the currently effective rates. The meter charges filed reflect updated meter costs and carrying charges.

2. Explanation

A. The proposed rate changes affect all classes of cogeneration and small power production service; however, there are no customers presently on any of Montana-Dakota's cogeneration or small power production rates in South Dakota.



B. The proposed tariff sheets are:

Section No. 3, 17th Revised Sheet No. 28  
Occasional Power Purchase Non-Time Differentiated Rate 95

Section No. 3, 17th Revised Sheet No. 29  
Short-Term Power Purchase Time Differentiated Rate 96

Section No. 3, 17th Revised Sheet No. 30 and 13th Revised Sheet No. 30.1  
Long-Term Power Purchase Time Differentiated Rate 97

C. The proposed rate changes apply to cogeneration and small power production services with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

D. The affected tariffs are applicable to all areas served by Montana-Dakota Utilities Co. in South Dakota.

E. There are no additional special conditions, limitations, qualifications or restrictions upon the proposed tariffs.

3. Financial Impact

Not applicable since no customers are presently served on Rates 95, 96 or 97

4. Precedential Effect

None.

# CONTINUATION

1 -

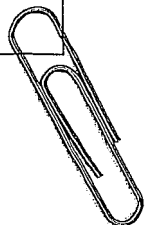
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**On June 1, 2000 Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., filed with the South Dakota Public Utilities Commission revised Rates 95, 96, & 97 which affect Montana-Dakota Utilities Co.'s Cogeneration electric customers in South Dakota. The revised rates and South Dakota rules and regulations are available in this office for inspection. Please inquire at the cashier's desk.**

Continuation

# 2

# of pages



**South Dakota Public Utilities Commission**  
**WEEKLY FILINGS**  
For the Period of June 1, 2000 through June 7, 2000

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you,  
please contact Delaine Kolbo within five business days of this filing.  
Phone: 605-773-3705 Fax: 605-773-3509

**ELECTRIC**

**EL00-020 In the Matter of the Filing by Montana-Dakota Utilities Company for Approval of its Revised Rate Sheets for its Cogeneration Rates.**

Application by Montana-Dakota Utilities Company to comply with the Commission's Order in Docket F-3365 by remitting annually updated cogeneration rates for approval. No customers will be affected by the proposed changes as there are no customers currently served by these rates.

Staff Analyst: Dave Jacobson  
Staff Attorney: Camron Hoseck  
Date Docketed: 06/01/00  
Intervention Deadline: NA

**EL00-021 In the Matter of the Joint Request for Electric Service Territory Exception between McCook Electric Cooperative, Inc. and Sioux Valley-Southwestern Electric Cooperative, Inc.**

On June 5, 2000, the Commission received a joint request for electric service territory exception between McCook Electric Cooperative and Sioux Valley Southwestern Electric Cooperative. The agreement between the two parties seeks an exception to the existing electric service territorial agreement to permit Sioux Valley Southwestern to provide electric service to Smith Farms, Inc. for a seed handling service in the Northeast quarter of Section 25, Township 103, Range 53 West.

Staff Analyst: Michele Farris  
Staff Attorney: Karen Cremer  
Date Docketed: 06/05/00  
Intervention Deadline: 06/16/00

**TELECOMMUNICATIONS**

**TC99-086 In the Matter of the Filing for Approval of a First Amendment to the Interconnection Agreement between DSLnet Communications, LLC and U S West Communications, Inc.**

A first amendment to an interconnection agreement between DSLnet Communications, LLC and U S WEST Communications, Inc. was filed with the Commission. This amendment adds provisions which include UDIT, ADSL and line conditioning and associated rate elements.



Any party wishing to comment on the amendment may do so by filing written comments with the Commission and the parties to the amendment no later than June 26, 2000. Parties to the amendment may file written responses to the comments no later than twenty days after the service of the comments.

Staff Attorney: Camron Hoseck  
Date Docketed: 06/05/00  
Comments Due: 06/26/00

**TC00-087 In the Matter of the Establishment of Switched Access Revenue Requirement for Midstate Communications, Inc.**

Midstate Telephone Company and Heartland Communications, Inc., Kimball, South Dakota, filed a switched access cost study developing a revenue requirement that is included in the revenue requirement used to determine the switched access rates for the Local exchange Carrier Association. Midstate and Heartland were consolidated into Midstate Communications, Inc. on 01/01/00.

Staff Analyst: Heather K. Forney  
Staff Attorney: Karen E. Cremer  
Date Docketed: 06/01/00  
Intervention Deadline: 06/23/00

**TC00-088 In the Matter of the Filing for Approval of a First Amendment to an Amended Interconnection Agreement between U S WEST Communications, Inc. and Dakota Telecom, Inc.**

A first amendment to an amended agreement for local wireline network interconnection and service resale between Dakota Telecom, Inc. and U S WEST Communications, Inc. was filed with the Commission. This amendment is made in order to allow Dakota Telecom, Inc. to originate EAS/local traffic from South Dakota and terminate this traffic in Nebraska. This EAS/local traffic must be within the same local calling areas as defined by U S WEST's current tariff.

Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than June 21, 2000. Parties to the amendment may file written responses to the comments no later than twenty days after the service of the comments.

Staff Attorney: Camron Hoseck  
Date Docketed: 06/01/00  
Comments Due: 06/21/00

**TC00-089 In the Matter of OLS, Inc. and Certain John Does.**

Commission Staff filed a Motion To Assess Fines and Statutory Penalties against OLS, Inc. The basis for this Motion is the number of complaints which have recently been filed against OLS, Inc. which are alleged to represent a continuing pattern of reckless

disregard for South Dakota law and a disregard for the rights of South Dakota consumers. Staff moves the Commission to assess fines and penalties in accordance with SDCL 49-31-93, 49-31-94, impose other remedies and assess costs associated with processing the complaints.

Staff Analyst: Leni Healy  
Staff Attorney: Karen E. Cremer  
Date Docketed: 06/06/00  
Intervention Deadline: NA

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BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY ) ORDER APPROVING TARIFF  
MONTANA-DAKOTA UTILITIES CO., A ) REVISIONS  
DIVISION OF MDU RESOURCES GROUP, INC. )  
FOR APPROVAL OF REVISIONS TO ITS ) EL00-020  
OCCASIONAL POWER PURCHASE NON-TIME )  
DIFFERENTIATED RATE 95, SHORT-TERM )  
POWER PURCHASE TIME DIFFERENTIATED )  
RATE 96 AND LONG-TERM POWER )  
PURCHASE TIME DIFFERENTIATED RATE 97 )

On June 1, 2000, Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. Bismarck, North Dakota (MDU), filed with the Public Utilities Commission (Commission) a proposed revision to its cogeneration tariffs, specifically its Occasional Power Purchase Non-Time Differentiated Rate 95, Short-Term Power Purchase Time Differentiated Rate 96, and Long-Term Power Purchase Time Differentiated Rate 97:

Section 3, 17th Revised Sheet No. 28, cancelling 16th Revised Sheet No. 28

Section 3, 17th Revised Sheet No. 29, cancelling 16th Revised Sheet No. 29

Section 3, 17th Revised Sheet No. 30, cancelling 16th Revised Sheet No. 30

Section 3, 13th Revised Sheet No. 30.1, cancelling 12th Revised Sheet No. 30.1

At its regularly scheduled meeting of June 20, 2000, the Commission considered approval of the application. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDGL Chapter 49-34A. Further, the revisions are just and reasonable and shall be approved. As the Commission's final decision in this matter, it is therefore

ORDERED, that MDU's revised tariffs as described above are approved and shall be effective for service rendered on and after the date of this Order.

Dated at Pierre, South Dakota, this 29th day of June, 2000.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: Aldine Kelbo

Date: 6/29/00

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg  
JAMES A. BURG, Chairman

Pam Nelson  
PAM NELSON, Commissioner

Laska Schoenfelder  
LASKA SCHOENFELDER, Commissioner

RECEIVED

JUL 14 2000

**MONTANA-DAKOTA**

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street  
Bismarck, ND 58501  
(701) 222-7900

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

July 12, 2000

Mr. William Bullard, Jr.  
South Dakota Public Utilities Commission  
State Capitol Building  
500 E. Capitol  
Pierre, SD 57501

Re: Tariffs Reflecting Effective Dates  
Docket No. EL00-020

Dear Mr. Bullard:

Montana-Dakota Utilities Co. (Montana-Dakota), a division of MDU Resources Group, Inc., herewith submits the following tariff sheets reflecting the effective date of June 28, 2000, pursuant to the Commission's Order approving the rates in the above-referenced docket:

- Docket No. EL00-020: Section 3, 17th Revised Sheet No. 28; Section 3, 17th Revised Sheet No. 29; Section 3, 17th Revised Sheet No. 30; and Section 3, 13th Revised Sheet No. 30.1.

The original and 10 copies of this letter and tariff have been provided to the South Dakota Public Utilities Commission.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed stamped envelope.

Sincerely,



Tamie A. Aberle  
Pricing and Tariff Manager

Attachments

OCCASIONAL POWER PURCHASE RATE  
NON-TIME DIFFERENTIATED

**AVAILABILITY:**

To any qualifying cogeneration and small power production (COG/SP) facilities for the purpose of generating occasional electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 16 CFR Part 292.

**RATE:**

Metering charge for single phase service \$1.95 per month  
Metering charge for three phase service \$1.95 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

1.605¢ per kWh

(Energy delivered per month to Company is limited to 600 kWh per month. Delivery in excess of this limit will not be compensated.)

**ENERGY SALES TO SMALL QUALIFYING FACILITY:**

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, general service, etc.) that is currently on file with the Commission.

**SPECIAL TERMS AND CONDITIONS:**

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.

(CONTINUED)

Date Filed: June 1, 2000 Effective Date: Service implementation date  
June 28, 2000

Issued By: C. Wayne Fox, Vice President  
Regulatory Affairs & General Services





**SHORT-TERM POWER PURCHASE Rate 96**  
**TIME DIFFERENTIATED**

**AVAILABILITY:**

To any qualifying cogeneration and small power production (COG/SPP) facilities for the purpose of generating short-term electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

**RATE:**

Metering charge for single phase service \$ 5.65 per month  
Metering charge for three phase service \$12.45 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

SUMMER - April 1 through September 30

**ON-PEAK**

**OFF-PEAK**

2.022¢ per Kwh

1.224¢ per Kwh

Summer Peak Periods: The On-Peak Period is defined as those hours between 7 a.m. and 11 p.m. Central Time, Monday through Friday in Central Time zones, and between 6 a.m. and 10 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

WINTER - October 1 through March 31

**ON-PEAK**

**OFF-PEAK**

2.091¢ per Kwh

1.274¢ per Kwh

Winter Peak Periods: The On-Peak Period is defined as those hours between 8 a.m. and 10 p.m. Central Time, Monday through Friday in Central Time zones, and between 7 a.m. and 9 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

Definitions of on-peak and off-peak periods are subject to change with change in Company's system operating characteristics.

(Continued)



LONG-TERM POWER PURCHASE Rate 97  
TIME DIFFERENTIATED

**AVAILABILITY:**

To any qualifying cogeneration and small power production (COG/SPP) facilities for the purpose of generating long-term electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

**RATE:**

Metering charge for single phase service \$ 5.65 per month  
Metering charge for three phase service \$12.45 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

SUMMER - April 1 through September 30

ON-PEAK

2.022¢ per Kwh

OFF-PEAK

1.224¢ per Kwh

Summer Peak Periods: The On-Peak Period is defined as those hours between 7 a.m. and 11 p.m. Central Time, Monday through Friday in Central Time zones, and between 6 a.m. and 10 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

WINTER - October 1 through March 31

ON-PEAK

2.091¢ per Kwh

OFF-PEAK

1.274¢ per Kwh

Winter Peak Periods: The On-Peak Period is defined as those hours between 8 a.m. and 10 p.m. Central Time, Monday through Friday in Central Time zones, and between 7 a.m. and 9 p.m. Mountain Time, Monday through Friday in Mountain Time zones. The Off-Peak Period is defined as all other hours.

Definitions of on-peak and off-peak periods are subject to change with change in Company's system operating characteristics.

(Continued)

Date Filed: June 1, 2000

Effective Date: Service rendered on and after  
JUNE 28, 2000

Issued By: C. Wayne Fox, Vice President  
Regulatory Affairs & General Services



(Continued)

Page 2 of 3

LONG-TERM POWER PURCHASE Rate 97  
TIME DIFFERENTIATED

Monthly capacity payments will be made on the basis of actual avoidance of capacity during the months of January, June through September, and December. Such payments are to be based on the capacity cost of base load generation.

Monthly capacity payment = \$7.50 per Kw

Monthly capacity payments will be made based on a monthly 85 percent on-peak period capacity factor for the months of January, June through September, and December. The capacity factor is the quotient of the average monthly on-peak period metered capacity (Kw) delivered to the Company during a month, divided by the maximum monthly on-peak metered capacity (Kw) delivered to the Company during a month. All referenced metered capacity readings refer to one hour measured demands (Kw). The monthly capacity payment applicable for the months of January, June through September, and December will be made based on the following formula:

$$MCP = \frac{MCP \text{ per Kw} \times MCF}{.85} \times \text{maximum monthly on-peak demand (Kw)}$$

where: MCP = Monthly Capacity Payment  
 MCF = Monthly On-Peak Period Capacity Factor

**ENERGY SALES TO SMALL QUALIFYING FACILITY:**

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, general service, etc.) that is currently on file with the Commission.

**SPECIAL TERMS AND CONDITIONS:**

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.

(Continued)

Date Filed: June 1, 2000 Effective Date: Service rendered on and after June 29, 2000

Issued By: C. Wayne Fox, Vice President -  
Regulatory Affairs & General Services