



**MONTANA-DAKOTA**

UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

May 8, 1997

RECEIVED

MAY 09 1997

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

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

Re: Docket No. NG97-\_\_\_\_\_  
Transportation Service Rates 81, 82, 84

Dear Mr. Bullard:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., respectfully requests Commission approval of the following tariff sheets attached hereto.

- Section 3 - 2<sup>nd</sup> Revised Sheet No. 22.8 Transportation Service Rates 81,82,84
- Section 5 - 2<sup>nd</sup> Revised Sheet No. 1.3 General Provisions Rate 100

The tariff revisions are necessary to reflect certain changes in the business practices of Montana-Dakota's interconnecting pipeline Williston Basin Interstate Pipeline Company (Williston Basin) required by the Federal Energy Regulatory Commission's Order adopting the Gas Industry Standards Board's (GISB) standards in Order Nos. 587 et al. Specifically, the following changes occurring on Williston Basin's system will affect Montana-Dakota's transportation program and have been reflected on the attached proposed tariff sheets:

- The definition of the "Gas Day" has changed from a 24 consecutive hour period beginning at 8:00 a.m. in the applicable time zone in which delivery of gas is made to 9:00 a.m. Central Clock Time. This is the standard gas day that will now be used throughout the industry.
- Montana-Dakota is revising the time required for customers to provide the Company's gas nominations center with its estimated gas requirements from 9:00 a.m. Central Time (8:00 a.m. Mountain Time) to 11:30 a.m. Central Clock Time.
- Consistent with Williston Basin's tariff, Montana-Dakota will allow customers to make standing nominations that cover periods longer than 1 day.

The changes are proposed in order to provide continuity in the way nominations are made by transportation customers on our system and their shippers on Williston Basin's system.

In accordance with Section 20:10:13.20, Montana-Dakota hereby requests that this request be approved by June 1, 1997 in order to match the changes occurring on the pipeline effective June 1, 1997. The Company further requests waiver of the 30 days notice to the Commission required by ARSD 20:10:13.15 and 30 days notice to the public required by 20:10:13.17.

The Company will comply with ARSD 20:10:13.18 by posting the Notice shown in Exhibit A in a conspicuous place in each business office in its gas service territory in South Dakota affected by this change. Montana-Dakota will also be advising each transportation customer of the proposed changes.

Attached as Exhibit B is the South Dakota "Report of Tariff Schedule Change" form required pursuant to ARSD 20:10:13.26.

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 highlighting the new language proposed.

Please refer all inquires regarding this filing to:

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

Also, please send copies of all written inquires, correspondence and pleadings to:

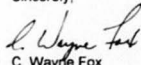
Mr. Douglas W. Schulz  
Senior Attorney  
Montana-Dakota Utilities Co.  
400 North Fourth Street  
Bismarck, ND 58501

The original and ten (10) copies of this Letter of Transmittal and tariffs have been provided to the South Dakota Public Utilities Commission.

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,



C. Wayne Fox  
Vice President  
Regulatory Affairs & General Services

Attachments

cc: D. Schulz  
D. Ball

On May 9, 1997  
Montana-Dakota Utilities Co., a  
Division of MDU Resources Group, Inc.,  
filed with the South Dakota Public  
Utilities Commission revised gas tariffs  
affecting Montana-Dakota Utilities Co.'s  
gas transportation customers in South Dakota.  
These proposed tariffs, and South Dakota  
rules and regulations, are available  
in this office for inspection.  
Please inquire at the cashier's desk.

## Report of Tariff Schedule Change

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

Section No.		New Sheet No.
3	Transportation Service Rates 81 82 84	2nd Revised 22 8
5	General Provisions Rate 100	2nd Revised 1 3

Change Definition of Gas Day and nomination time requirements relative to transportation service  
 (State part of tariff schedule affected by change, such as: Applicability, availability, rates, etc.)

Reason for Change Tariff changes necessary to reflect pipeline supplier changes occurring pursuant to FERC Order

Present rates n/a  
 Proposed Rates n/a  
 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 \$
South Dakota Excluding East River					45	0

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

Received \_\_\_\_\_

By \_\_\_\_\_ By C. Wayne Fox, Vice President  
 Executive Director Regulatory Affairs & General Services  
 South Dakota (Name and Title)  
 Public Utilities Commission

STATE OF SOUTH DAKOTA  
GAS RATE SCHEDULE

SD P.U.C. Section No. 3  
2nd Revised Sheet No. 22.8  
Cancelling 1st Revised Sheet No. 22.8

(Continued)

Page 9 of 10

TRANSPORTATION SERVICE

(Rates 81, 82, 84)

GENERAL TERMS AND CONDITIONS: (Cont.)

11. METERING REQUIREMENTS - (Cont.)

measurement equipment, and any interruption in such services must be promptly remedied or service under this tariff will be suspended until satisfactory corrections have been made.

12. DAILY NOMINATION REQUIREMENTS:

- a. Customer or customer's agent shall advise Company's gas nominations center, by 11:30 a.m. Central Clock Time, of the dk requirements customer has requested to be delivered at each delivery point during the following day. Customer's daily nomination shall be its best estimate of the expected utilization for the gas day. Unless other arrangements are made, customer will be required to nominate for the non-business days involved prior to weekends and holidays.
- b. All nominations should include shipper defined begin and end dates. Shippers may nominate for periods longer than 1 day, provided the nomination begin and end dates are within the term of the service agreement.
- c. The Company has the sole right to refuse receipt of any volumes which exceed the maximum daily contract quantity and at no time shall the Company be required to accept quantities of gas for a customer in excess of the quantities of gas to be delivered to customer. If total nominated receipts exceed total deliveries at receipt points where more than one customer is receiving service, nominations will be allocated on a pro rata basis.
- d. At no time shall Company have the responsibility to deliver gas in excess of customer's nomination.
- e. In the event that more than one customer is receiving gas from the same shipper at the same receipt point, any reduction in nominated volumes will be allocated on a pro rata basis, unless Company and shipper(s) have agreed to a predetermined allocation procedure.

(Continued)

Date Filed: May 9, 1997

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

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

STATE OF SOUTH DAKOTA  
GAS RATE SCHEDULE

SD P.U.C.

Section No. 52nd RevisedSheet No. 1-3Cancelling 1st RevisedSheet No. 1-3

(Continued)

Page 4 of 18

GENERAL PROVISIONS Rate 100

## II. DEFINITIONS: (Cont.)

CUSTOMER - Any individual, partnership, corporation, firm, other organization or government agency supplied with service by Company at one location and at one point of delivery unless otherwise expressly provided in these rules or in a rate schedule.

DELIVERY POINT - The point at which customer assumes custody of the gas being transported. This point will normally be at the outlet of Company's meter(s) located on customer's premises.

GAS DAY - Means a period of twenty-four consecutive hours, beginning and ending at 9:00 a.m. Central Clock Time.

INTERRUPTION - A cessation of transportation or retail natural gas service deemed necessary by Company.

NOMINATION - The daily dk volume of natural gas requested by customer for transportation and delivery to customer at the delivery point during a gas day.

PIPELINE - The transmission company(s) delivering natural gas into company's system.

RATE - Shall mean and include every compensation, charge, fare, toll, rental and classification, or any of them, demanded, observed, charged or collected by the Company for any service, product, or commodity, offered by the Company to the public, and any rules, regulations, practices or contracts affecting any such compensation, charge, fare, toll, rental or classification.

RECEIPT POINT - The intertie between Company and the interconnecting pipeline(s) at which point Company assumes custody of the gas being transported.

SHIPPER - The party with whom the Pipeline has entered into a service agreement for transportation services.

(Continued)

Date Filed: May 9, 1997

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

Issued By: C. Wayne Fox, Vice President

Regulatory Affairs &amp; General Services



U.S. G.P.O. : 1964 O-348-000

**TARIFFS RELECTING**

**PROPOSED**

**CHANGES**

**STATE OF SOUTH DAKOTA  
GAS RATE SCHEDULE**

SD P.U.C. Section No. \_\_\_\_\_

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

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

Cancelling \_\_\_\_\_

(Continued)

Page 9 of 10

TRANSPORTATION SERVICE

(Rates \$1, \$2, \$4)

GENERAL TERMS AND CONDITIONS: (Cont.)

11. METERING REQUIREMENTS - (Cont.)

measurement equipment, and any interruption in such services must be promptly remedied or service under this tariff will be suspended until satisfactory corrections have been made.

12. DAILY NOMINATION REQUIREMENTS:

a. Customer or customer's agent shall, on a daily basis, by 9:00 a.m. Central Time (8:00 a.m. Mountain Time), advise Company's gas nominations center, by 11:30 a.m. Central Clock Time, of the dk requirements customer has requested to be delivered at each delivery point during the gas day commencing at 8:00 a.m. in the applicable time zone the following day. Customer's daily nomination shall be its best estimate of the expected utilization for the gas day. ~~Prior to weekends and holidays, Unless other arrangements are made, customer will be required to nominate for the non-business days involved prior to weekends and holidays.~~

b. All nominations should include shipper defined begin and end dates. Shippers may nominate for periods longer than 1 day, provided the nomination begin and end dates are within the term of the service agreement.

bc. The Company has the sole right to refuse receipt of any volumes which exceed the maximum daily contract quantity and at no time shall the Company be required to accept quantities of gas for a customer in excess of the quantities of gas to be delivered to customer. If total nominated receipts exceed total deliveries at receipt points where more than one customer is receiving service, nominations will be allocated on a pro rata basis.

cd. At no time shall Company have the responsibility to deliver gas in excess of customer's nomination.

de. In the event that more than one customer is receiving gas from the same shipper at the same receipt point, any reduction in nominated volumes will be allocated on a pro rata basis, unless Company and shipper(s) have agreed to a predetermined allocation procedure.

(Continued)

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

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

Cancelling \_\_\_\_\_

(Continued)

Page 4 of 18

GENERAL PROVISIONS Rate 100

II. DEFINITIONS: (Cont.)

**CUSTOMER** - Any individual, partnership, corporation, firm, other organization or government agency supplied with service by Company at one location and at one point of delivery unless otherwise expressly provided in these rules or in a rate schedule.

**DELIVERY POINT** - The point at which customer assumes custody of the gas being transported. This point will normally be at the outlet of Company's meter(s) located on customer's premises.

**GAS DAY** - Means a period of twenty-four consecutive hours, beginning and ending at 0:00-9:00 a.m. in the applicable time zone in which delivery of gas is made **Central Clock Time**.

**INTERRUPTION** - A cessation of transportation or retail natural gas service deemed necessary by Company.

**NOMINATION** - The daily dk volume of natural gas requested by customer for transportation and delivery to customer at the delivery point during a gas day.

**PIPELINE** - The transmission company(s) delivering natural gas into company's system.

**RATE** - Shall mean and include every compensation, charge, fare, toll, rental and classification, or any of them, demanded, observed, charged or collected by the Company for any service, product, or commodity, offered by the Company to the public, and any rules, regulations, practices or contracts affecting any such compensation, charge, fare, toll, rental or classification.

**RECEIPT POINT** - The intertie between Company and the interconnecting pipeline(s) at which point Company assumes custody of the gas being transported.

**SHIPPER** - The party with whom the Pipeline has entered into a service agreement for transportation services.

(Continued)

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

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

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 AND WAIVER  
DIVISION OF MDU RESOURCES GROUP, INC. ) OF NOTICE REQUIREMENT  
FOR TARIFF REVISIONS ) NG97-007

On May 9, 1997, the Public Utilities Commission (Commission) received a filing by Montana-Dakota Utilities Co. (MDU) requesting Commission approval of revisions to its tariff. The filing indicates that the tariff revisions reflect certain changes in the business practices of MDU's interconnecting pipeline, Williston Basin Interstate Pipeline Company, required by the Federal Energy Regulatory Commission's adoption of the Gas Industry Standards Board standards.

The following tariff sheets were filed

Section No. 3 - 2nd Revised Sheet No. 22.8 Transportation Service Rates (81, 82, 84)

Section No. 5 - 2nd Revised Sheet No. 1.3 General Provisions Rate 100

The filing requested that the Commission approve MDU's tariff changes by June 1, 1997, in order to match the changes occurring on the pipeline effective June 1, 1997. The filing also requested a waiver of the Commission's 30 day notice requirement.

At its duly noticed ad hoc meeting of May 28, 1997, the Commission considered approval of the application and waiver request. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically, 49-34A-4, 49-34A-6, and 49-34A-12, and ARSD 20 10 01 08 01, 20 10 01 09, 20 10 01 10, and 20 10 01 11 01. The Commission unanimously decided the revisions and waiver are just and reasonable and shall be approved. As the Commission's final decision in this matter, it is therefore

ORDERED, that the 30 day notice requirements of ARSD 20 10 13 15 and 20 10 13 17 are waived. It is further

ORDERED, that MDU's revised tariff as described above is approved and shall be effective for service rendered on and after June 1, 1997.

Dated at Pierre, South Dakota, this 3rd day of June, 1997.

<b>CERTIFICATE OF SERVICE</b>	
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 <u>Albini Kelso</u>	
Date <u>6/4/97</u>	
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

JAMES A. BURG  
JAMES A. BURG, Chairman

PAM NELSON  
PAM NELSON, Commissioner

LASKA SCHOENFELDER  
LASKA SCHOENFELDER, Commissioner