

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

March 29, 2007

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Pierre, SD 57501

> Re: General Provisions – Rate 100 Natural Gas Seasonal Reconnects Docket No. NG07-

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., hereby requests Commission approval to revise its policy regarding Seasonal Reconnection charges applicable to certain natural gas customers under General Provisions Rate 100. The revised tariff sheet presenting the Reconnection Fee for Seasonal or Temporary Customers (Paragraph 18) designated as 2nd Revised Sheet No. 1.15 is provided as Attachment A. Sheet No. 1.16 is also submitted and designated 2nd Revised due to pagination changes.

The seasonal reconnection policy approved in Docket No. NG04-04 properly recognizes that customers that disconnect their natural gas service on a seasonal basis are not equitably contributing toward the recovery of fixed costs and ultimately causing increased costs to customers that remain connected throughout the year. However, customers such as irrigators, swimming pool facilities, grain dryers and asphalt processors that typically cut out of service due to the seasonal nature of their business do not fall into the same category as the other customers disconnecting and subsequently reconnecting service each year. The seasonal business customers typically use volumes equal to the annual average use of other customers but in a much shorter time frame. Therefore, these customers are contributing toward fixed costs through volumetric charges in a similar fashion to non-seasonal customers.

The proposal reflected on the attached tariff is to provide the seasonal business customers credit for volumes of natural gas used during the time in service when calculating the applicable reconnection charge. This methodology provides for an equitable application of the seasonal reconnection charge.

Montana-Dakota respectfully requests Commission approval of the attached revised tariff by May 1, 2007 in order to operate under the revised seasonal reconnection provision prior to the start of the seasonal business concerns described above.

Attached as Exhibit A is the South Dakota "Report of Tariff Schedule Change" form required pursuant to ARSD 20:10:13:26.

Included herein is a second affected tariff 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.

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

Please refer all inquires regarding this filing to:

Ms. Tamie A. Aberle Pricing & Tariff Manager Montana-Dakota Utilities Co. 400 North Fourth Street Bismarck, ND 58501 Tamie.aberle@mdu.com

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

Mr. Daniel S. Kuntz Associate General Counsel MDU Resources Group, Inc. P. O. Box 5650 Bismarck, ND 58506-5650 Dan.kuntz@mduresources.com

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This filing has been electronically submitted to the Commission in accordance with ARSD 20:10:01:02:05

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

Sincerely,

Donald R. Ball

Donald R. Ball Vice President – Regulatory Affairs

Attachment

Attachment A

Montana-Dakota Utilities Co.



A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 5 2nd Revised Sheet No. 1.15 Canceling 1st Revised Sheet No. 1.15

GENERAL PROVISIONS Rate 100

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- 17. INSTALLING TEMPORARY METERING FACILITIES OR SERVICE A customer requesting a temporary meter installation and service will be charged on the basis of direct costs incurred by the Company.
- 18. RECONNECTION FEE FOR SEASONAL OR TEMPORARY CUSTOMERS A customer who requests reconnection of service, during normal business hours at a location where same customer discontinued the same service during the preceding 12-month period will be charged as follows:

Residential -

The Basic Service Charge applicable during the period service was not being used or a minimum of \$30.00. The minimum will be based on standard overtime rates for reconnecting service after normal business hours.

Non-Residential -

The Basic Service Charge applicable during the period while service was not being used. However the reconnection charge applicable to seasonal business concerns such as irrigation, swimming facilities, grain drying and asphalt processing shall be the Basic Service Charge applicable during the period while service was not being used less the Distribution Delivery Charge revenue collected during the period in-service. A minimum of \$30.00 will apply to reconnections occurring during normal business hours. The minimum will be based on standard overtime rates for reconnection of service occurring after normal business hours.

Transportation customers who cease service and then resume service within the succeeding 12 months shall be subject to a reconnection charge of \$160.00 whenever reinstallation of the remote data acquisition equipment is necessary.

19. DISCONTINUANCE OF SERVICE FOR NONPAYMENT OF BILLS – All amounts billed for services are due when rendered and will be considered delinquent if not paid by the due date shown on the bill. If any customer shall become delinquent in the payment of amounts billed, such service may be discontinued by the Company under the applicable rules of the Commission. The Company may collect a fee of \$25.00 before restoring gas service which has been disconnected for nonpayment of service bills during normal business

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Vice President-Regulatory Affairs

NG07-

Docket No.:

Effective Date:



A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 5 2nd Revised Sheet No. 1.16 Canceling 1st Revised Sheet No. 1.16

GENERAL PROVISIONS Rate 100

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hours. Standard overtime rates will apply for services performed after normal business hours.

- 20. DISCONTINUANCE OF SERVICE FOR CAUSES OTHER THAN NONPAYMENT OF BILLS – The Company reserves the right to discontinue service for any of the following reasons:
 - a. In the event of customer use of equipment in such a manner as to adversely affect the Company's equipment or service to others.
 - b. In the event of tampering with the equipment furnished and owned by the Company.
 - c. For violation of, or noncompliance with, the Company's rules on file with the Commission.
 - d. For failure of the customer to fulfill the contractual obligations imposed as conditions of obtaining service.
 - e. For refusal of reasonable access to property to the agent or employee of the Company for the purpose of inspecting the facilities or for testing, reading, maintaining or removing meters.

The right to discontinue service for any of the above reasons may be exercised whenever and as often as such reasons may occur, and any delay on the part of the Company in exercising such rights, or omission of any action permissible hereunder, shall not be deemed a waiver of its rights to exercise same.

Nothing in these regulations shall be construed to prevent discontinuing service without advance notice for reasons of safety, health, cooperation with civil authorities, or fraudulent use, tampering with or destroying the Company's facilities.

The Company may collect a reconnect fee of \$30.00 before restoring gas service which has been disconnected for the above causes.

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Docket No.:	NG07	

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 5 1st Revised Sheet No. 1.15 Canceling Original Sheet No. 1.15

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Docket No.:

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.
5	General Provisions Rate 100	2nd Revised Sheet No. 1.15
5	General Provisions Rate 100	2nd Revised Sheet No. 1.16

Change: <u>Reconnection Fee for Seasonal or Temporary Customers</u> (State part of tariff schedule affected by change, such as: Applicability, availability, rates, etc.)

Reason for Change: To provide for an equitable application of the seasonal reconnection charge.

Present Rates	
Proposed Rates	
Approximate annual reduction in revenue	
Approximate annual increase in revenue	

Points Affected	Estimated Number of Customers Whose Cost of Service will be:							
	Reduced Increase			reased	Unchanged			
	# of Customers		# of Customers		# 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: Donald R. Ball Vice President- Regulatory Affairs (Name and Title)

SD-20:10:13:26

On March 29, 2007 Montana-Dakota Utilities Co., a **Division of MDU Resources Group**, Inc., filed with the South Dakota Public Utilities Commission revised Rate 100, which affects Montana-Dakota Utilities Co.'s seasonal or temporary gas customers in South Dakota. The proposed rate schedule and South Dakota rules and regulations are available in this office for inspection. Please inquire at cashier's desk.