



# Montana-Dakota Utilities Co.

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

Docket No. NG15-\_\_\_\_\_  
Exhibit No. \_\_\_\_\_ (TAA-3)  
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## State of South Dakota Gas Rate Schedule – SDPUC Volume No. 3

Section No. 3  
5<sup>th</sup> Revised Sheet No. 30  
4<sup>th</sup> Revised Sheet No. 30

### TARGETED INFRASTRUCTURE RIDER Rate 89

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#### 1. Applicability:

This rate schedule represents a Targeted Infrastructure Rider (TIR) and specifies the procedure to be utilized to provide for annual adjustments to recover the Revenue Requirement associated with the Company's required operational and state and federal pipeline safety program investments in natural gas main additions and replacements and other specified safety related infrastructure replacements and upgrades deemed prudent by the Commission and not currently recovered through retail rates. Costs to be recovered under the TIR may include operation and maintenance expenditures, depreciation, taxes and a current return on project costs during construction. Costs being recovered under this tariff are currently not included in the rates established at the time of the Company's last general rate case.

#### 2. Targeted Infrastructure Adjustment:

- (a) The Infrastructure Adjustment will be applied as an adjustment per dk calculated using the projected revenue requirement and forecasted dk throughput to determine the amount to be recovered through the TIR. The return component of the revenue requirement calculation will be the authorized rate of return from the Company's most recent general rate case.
- (b) The TIR is applicable to all natural gas sales and transportation service customers with the exception of those served under a flexible rate contract at less than the ceiling rate.
- (c) The TIR will be adjusted annually (or other period authorized by the Commission) to reflect the Company's most recent projected capital costs and related expenses for projects determined to be recoverable under this rate schedule.
- (d) A true-up will reflect any over or under collection of revenue under the TIR based on actual expenditures from the preceding twelve month recovery period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

#### 3. Time and Manner of Filing:

Montana-Dakota shall file the TIR at least 60 days prior to the proposed effective date. The filing by Montana-Dakota shall be made by means of a revised TIR rate schedule identifying the amount of the adjustment and documentation supporting the derivation of the TIR and justification for the projects and or expenditure proposed to be included in the TIR.

Date Filed: June 30, 2015

Effective Date:

Issued By: Tamie A. Aberle  
Director – Regulatory Affairs

Docket No.:

N

N



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**State of South Dakota  
Gas Rate Schedule – SDPUC Volume No. 3**

Section No. 3  
3<sup>rd</sup> Revised Sheet No. 30.1  
2<sup>nd</sup> Revised Sheet No. 30.1

**TARGETED INFRASTRUCTURE RIDER Rate 89**

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**4. Targeted Infrastructure Adjustment Rate:**

All Classes                      \$X.XXX per dk

N  
|  
N

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