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*South Dakota*

**PUBLIC UTILITIES COMMISSION**

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June 5, 2017

Patricia Van Gerpen, Executive Director  
Public Utilities Commission  
500 E. Capitol Ave.  
Pierre, SD 57501

RE: NG16-006 In the Matter of the Complaint of Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., regarding South Dakota Intrastate Pipeline Company's Rates for Pipeline Transportation Service

Dear Ms. Van Gerpen,

On June 10, 2016, Montana-Dakota Utilities Co. (MDU) filed with the Commission a complaint regarding South Dakota Intrastate Pipeline Company's (SDIP) rates for pipeline transportation services. On September 26, 2016, the parties filed a Joint Motion to Approve Settlement Agreement. On October 3, 2016, the Commission issued an Order granting Joint Motion to Approve Settlement Agreement. Under the terms of the settlement agreement, SDIP agreed to file a general rate case pursuant to SDCL 49-34A and ARSD 20:10:13:26 and 20:10:13:39 through 20:10:13:104, inclusive, by June 1, 2017. On June 1, 2017, SDIP did file with the Commission a letter of transmittal requesting authority to increase its natural gas rates. However, Staff has reviewed the filing in NG17-009 and believes the filing is incomplete, does not meet the requirements of a rate case, and is subject to rejection pursuant to ARSD 20:10:13:105.

Specifically:

1. SDIP did not file a proposed rate with the letter of transmittal as required.
2. SDIP's filing did not include statements of fact, expert opinions, substantiating documents, and exhibits supporting the change requested, as required in SDCL 49-34A-12.
3. SDIP's Letter of Transmittal did not comply with the requirements in ARSD 20:10:13:39 (4) and (6).
4. The filing does not include the required contents of applications for rate increases as provided in ARSD 20:10:13:40, specifically, the additional material required in 20:10:13:41 to 20:10:13:107, inclusive.
5. The filing does not meet the requirements of ARSD 20:10:13:26 (2), (3), (6), (8), (10) and (11).

Based on this, Staff believes that SDIP has not substantially complied with the terms of the settlement agreement. Staff does note that SDIP indicated in its letter of transmittal that the company will file the applicable required documents in the docket no later than June 30, 2017. Additionally, SDIP has remained in contact with Staff and continues to provide regular updates on the status of the filing.

At this time, Staff requests Commission guidance on how to proceed.

Respectfully,

*Amanda M. Reiss*

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Staff Attorney