
From: David Brouwer

Sent: Monday, 12 December 2016 13:45:00 (UTC-06:00) Central Time (US & Canada)

To: PUC

Subject: NG16-014

Regarding Docket NG16-014 "In the Matter of Commission Staff's Petition for Declaratory Ruling Regarding Farm Tap Customers" (sent 12/12/16)

From:

David and Deanna Brouwer

[REDACTED]

Beresford, SD 57004

[REDACTED]

To whom it Concerns;

Thank you for reading this statement and taking it into consideration in the decision you are making. We are current farm tap customers that this will have a direct impact on. This farm tap has a positive value on our property value as well as other things and not having this farm tap will decrease the value of our property.

I would first like to ask you if these *farm tap* customers are the only ones in the state? If they are not you need to treat every customer equal and you need to consider any decisions in this situation and how it will affect other *farm tap* customers throughout the state.

No matter how you define the entities in this case what has occurred here is a contract in which Northern, in exchange for land easements, has agreed to provide natural gas via a farm tap. This is not something that can just be taken away as it would be a breach in contract. Unless of course there was lack of payment or not being used for a specified time period.

In layman's terms, again, not a specific definition, I would consider Northwestern's part in this situation as that of a sub-contractor of Northern. Ultimately it is Northern's responsibility to provide service to the current farm tap customers. That can continue to be done with renegotiation of Northwestern's contract or by finding another sub-contractor to provide this service. In the past Northern has formed its own sub-contractor to provide this service and that certainly could be an option once again at this time. I would say that the current contract that Northwestern has with Northern is just that, a contract that was made in 1987 that is due to be renegotiated at this time. An option that is not available is to just disconnect the farm tap customers as it is part of a larger agreement made decades prior.

Disconnecting this service to customers will have a negative and unfair burden placed on customers. There may be some situations in which it isn't possible to convert to another type of energy. Even if there is a possibility of this occurring a modest payment to help with this cost is not enough as the farm tap is a payment for the pipeline being placed across private property. In addition it will have a negative effect on the value of residents that use this farm tap. We recently purchased a new furnace and hot water heater. If we were to have to change fuel sources I would be more apt to consider something such as geothermal. This would be a benefit for many and would consider anything less a breach of contract.

Is there a safety concern regarding the gas line from the meter to the customer? There have been no issues regarding this in the past. I believe the issue with leaks and costs incurred after the meter is the responsibility of the customer and they should be responsible to pay for that. We don't believe that the issue with leaks is even a concern or something to be considered in this situation. Again I will mention if there are other farm tap customers throughout the state. If there are how is the line from the meter to the customer serviced? This should be something that is standardized across the state and not individually from line to line as that is not fair or equal treatment. Would it be possible to move the meter from the farm tap to the customer and have most of that expense taken on by the supplier and a modest amount be taken on by the customer? If the customer is not willing to pay a modest amount for that conversion then a cash buy-out would be imposed on the supplier and the farm tap would be discontinued, thus discontinuing the original contract. That buy-out of course needs to take into consideration not only conversion costs to the customer but also reimbursement for the land use easement by Northern as well as property value loss without this fuel supply.

There are many moving parts to this situation. Every farm tap customer must be treated equally throughout the state! Something that cannot be lost in this is the contract that was made decades ago between Northern and the land owners. In addition the cost it will have on property values if this service is abandoned as well as conversion to another fuel supply.

We are eagerly awaiting the results of this as it may have an effect on not only our fuel source but our property and cost of operation for many years to come.

David and Deanna Brouwer

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