
From: Leona McInerney

Sent: Thursday, 08 December 2016 18:49:37 (UTC-06:00) Central Time (US & Canada)

To: PUC

Cc: [REDACTED] 'Jim'

Subject: RE: Docket NG 16-04

December 7, 2016

Craig & Leona McInerney

[REDACTED]
Elk Point, SD 57025

RE: Docket NG 16-04

We feel compelled to comment on the surprising notification which we received about Northwestern Energy's request to vacate around 190 natural gas farm taps that they are currently servicing in the State of South Dakota, as one of those could possibly be ours. We have read the Staff Memorandum of Docket MG16-, concerning the matter before the PUC and find it much more informative than either of the letters we received from the two parties involved, so appreciate access to that document.

We have lived on this farm since 1971 and have always had the use of Northern Natural Gas' service which we used to fuel our home furnace and hot water heater. In 1986 we added a grain dryer to one of our storage bins, and we chose natural gas for that project, as we felt it was the most efficient and cost effective way to go over other options.

Then in 2016 we converted our center pivot irrigation system on this farm from a diesel motor to a natural gas engine. We ran an underground line from the grain bin to the pivot point in order to facilitate the transition. To accomplish this project, it required an expenditure of over \$21,000.00. During this period we were in contact with Northwestern Energy's [REDACTED] of SD/NE Gas Supply out of Huron, SD who wrote "with the current prices of natural gas this seems like a great change over electric demand charges and curtailments." He also said that we were on a Northern Natural Gas farm tap and requested we contact him with the size of natural gas fired engine we were wanting so he could then calculate if the NNG metering would work for us.

Our bill for our natural gas service over the last 5 years has averaged approximately \$1322.00 per year, but this does not include any irrigation usage, as we have not used the irrigation with the new natural gas engine yet. Without the ability to use natural gas on our farm as we always have would cause a great hardship to our operation and standard of living, along with a huge cost for conversion to another form of energy, and a real inconvenience.

We see that Northwestern wants to discontinue our service by December 31, 2017 and that date is also the end of a contract they have providing their service to Northern Natural Gas. How can a “third-party contractor” instigate such proceedings? They have had this contract for several years so now at the eleventh hour it seems a bit suspect in the concerns they bring forth, believing that these problems have not changed so radically since they began working with Northern. After reading the staff memorandum, Docket NG16- it seems this matter is much more about compensation of services and legal liability and the inability of two companies to come to terms over a 30 year old agreement.

We have always been aware that we are responsible for any problems from the gas meter on, and do believe that some of these lines are old and possibly poorly installed, so we agree it is a very valid point of contention, and understand most of the options to remedy this problem are very costly. However, we certainly hope some form of solution can be found to continue with the natural gas to our farm tap; rather than the drastic measure of cutting off our service all together.

We understand this is a serious matter before you, but hope that in your deliberations, you keep in mind the family farms that have used and continue to count on the service of Northern Natural Gas and their farm taps.

Sincerely,

Craig McInerney

Leona McInerney

[Redacted signature]

cc. [Redacted] Patricia VanGerpen & Chris Nelson

[Redacted signature]