

**Evelyn Pederson
Pederson Farms
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Worthing, SD 57077
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DEC 08 2016
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

December 5, 2016

Public Utilities Commission
Capitol Building, 1st floor
500 E. Capitol Ave.
Pierre, SD 57501-5070
RE: NG16-014

Dear PUC Representative,

It has come to my attention that there are some issues that have recently come to light regarding the natural gas farm tap that is located on our property. My family and I have lived and operated a farm on this property since the 1940's. When the pipeline came through in the early 1950's, the natural gas company sought easement from each farmer whose land it ran through. Part of the agreement for the easement was the right of the land owner to establish a farm tap to their property. Our experience has been that this access was a blessing, a convenience, and a valuable asset for our farming operation.

After becoming aware of the present situation through correspondence from Northern Natural Gas, Northwestern Energy, and the SDPUC, that our farm tap agreement may be in jeopardy, I would like to formally respond with our concerns. Not having access to the natural gas pipeline would negatively impact our farm in an extreme way. In addition to my personal residence, our office, grain dryer, and shops would all be affected. The item that would most affect our operation would be our grain drying capability. The cost to us would be enormous for the conversion of our equipment, piping, and tanks—not to mention the increased cost of propane and the delivery of such—would significantly impact our ability to operate as we have in the past. In fact, we have recently made major improvements to our grain handling facility centered on our ability to have access to natural gas. Additionally, it would not only increase our cost to operate, it would also diminish the value of our property as we consider our access an asset to this farm.

Finally, the Dakota Access pipeline has recently finished their construction through several of our properties. Although we were not thrilled with having them cross our land, we made the most of it by negotiating compensation through our easement agreements. Through the process we were assured by the PUC that Dakota Access would be required to stand by their agreements made with the state of SD and the local landowners who were impacted by the project. When the gas pipeline came through in the 1950's, I would assume the land owners affected by the natural gas pipeline had similar concerns. Access to a farm tap was part of their easement/compensation. It would set a dangerous precedent for the PUC to allow these companies to walk away from the commitment that was made to land owners when the natural gas pipeline was constructed, even if it was many years ago. It could open the door for companies like Dakota Access to just wait for awhile, hire some subcontractors to carry out some of their commitments, and the quietly walk away from their responsibilities that were agreed upon in the near or distant past.

Thank you for your service to our state as well as your consideration for this matter. I apologize for the late correspondence. I, as well as some of my neighbors, were confused by some of the correspondence we received, and have only recently discovered the potential impact.

Thank you for looking out for our state, its residents, and its land owners. We anticipate a fair and timely solution.

Sincerely,



Evelyn Pederson
Pederson Farms

Managers



Ms Evelyn J Pederson

Worthing, SD 57077

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