MONTANA-DAKOTA UTILITIES CO. SOUTH DAKOTA PUBLIC UTILITIES COMMISSION DOCKET NO. NG17-010 DATA REQUEST SET 1 DATED JUNE 15, 2017

1-2. Refer to section 11 on sheets 22.4 and 22.5. The charts for the % Monthly Imbalance appears to have a 5% imbalance maximum before a charge/purchase rate is assessed but in the application a 4% threshold his mentioned. Confirm whether the maximum monthly balance percentage allowed without charge/purchase is increasing from 4% to 5% in this filing.

Response:

The maximum monthly balance percentage allowed without charge/purchase is not increasing form 4% to 5% in this filing. Under the proposed imbalance provision, a minimum imbalance threshold does not need to be met prior to the calculation of an imbalance credit or charge. The Company would assess an imbalance credit or charge any time a customer's nominated volumes differs from the customer's actual volumes delivered over a given month.

Under the current tariff, a penalty was not assessed (or gas confiscated) unless the imbalance exceeded 4 percent at the end of the following month.