



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

October 9, 2008

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities
Commission
State Capitol Building
500 East Capitol
Pierre, SD 57501

Re: Docket No. RM08-002
Interconnection Rulemaking

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group Inc., herewith submits its response to the Commission's September 9, 2008 request for comments on the Interconnection Rules proposed by Staff for a formal rulemaking process.

Montana-Dakota commends the efforts of the Commission Staff in the process leading to the formulation of the proposed rules. Montana-Dakota offers the following comments for consideration prior to moving to the formal rulemaking process:

Proposed Rule	Suggested Change
20:10:36:01 – Scope and Applicability	Clarification is needed to indicate rules are not applicable to interconnections, of any size, to transmission facilities under the control of a Regional Transmission Organization.
20:10:36:03 (14) & (15) – Definitions	Add the phrase “as revised by IEEE” to avoid a rule change to reflect changes in the standards adopted by IEEE throughout time.
20:10:36:08 – Isolation Device	A disconnect switch should be required for all generator interconnections to ensure safety for utility operating personnel.

20:10:36:10 (3) – Cost Responsibility	Tier 3 should be added to the list of reviews that will require identification of the necessary Interconnection Facilities.
20:10:36:10 (8) – Cost Responsibility	The rule should be revised to correspond to Section 4.6 of the proposed Interconnection Agreement that requires a deposit of 50% of the cost estimate for required Interconnection Facilities.
20:10:36:15 (2) – Tier 1 Interconnection Review Procedure	The phrase “the start date of the 10 completeness review and, then” should be struck.
20:10:36:16 – Tier 1 Application Completion	Item (5) “An Interconnection Agreement has been executed” should be added.
20:10:36:20 (2) – Tier 2 Interconnection Review Procedure	The phrase “the start date of the 10 completeness review and, then” should be struck.
20:10:36:20 (10) – Tier 2 Interconnection Review Procedure	Paragraph (10) should be deleted as provision appears to be covered in Paragraph (7).
20:10:36:21 – Tier 2 Application Completion	Item (5) “An Interconnection Agreement has been executed” should be added.
20:10:36:23 (3); 20:10:36 24 (3)(c) and 20:10:36:25 (3) – Tier 3 Interconnection	References to “low forward” and “reverse” power relays should be changed to “sensitive” power relays to better address power flows.
20:10:36:26 (2) – Tier 3 Interconnection Review Procedure	The phrase “the start date of the 10 completeness review and, then” should be struck.
20:10:36:29 – Tier 3 Application Completion	Item (5) “An Interconnection Agreement has been executed” should be added.
20:10:36:31 (2) – Tier 4 Interconnection Review Procedure	The phrase “the start date of the 10 completeness review and, then” should be struck.
20:10:36:34 – Tier 4 Interconnection System Impact Study Report	Item (5) identified on page 25 would not be part of the System Impact Study Report and should be set out as a separate paragraph.

Forms:

Interconnection Agreement for
Small Generator Facility- Article 2.1

A Power Purchase Agreement should not be required for all installations as stated at the end of the first paragraph. The interim testing described in the second paragraph should be at the Applicant's expense.

Montana-Dakota appreciates the opportunity to provide suggestions and looks forward to working with the Commission and all parties in the upcoming rulemaking process.

Sincerely,



Donald R. Ball
Vice President – Regulatory Affairs

Cc: Dave Gerdes