

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

<b>IN THE MATTER OF COMMISSION</b>	)	<b>ORDER FOR AND NOTICE OF</b>
<b>STAFF'S PETITION FOR DECLARATORY</b>	)	<b>PETITION FOR REHEARING</b>
<b>RULING REGARDING FARM TAP</b>	)	<b>AND MOTION FOR JUDICIAL</b>
<b>CUSTOMERS</b>	)	<b>NOTICE &amp; PETITION FOR</b>
	)	<b>RECONSIDERATION HEARING</b>
	)	
	)	
	)	<b>NG16-014</b>

On November 9, 2016, the South Dakota Public Utilities Commission Staff filed a petition with the South Dakota Public Utilities Commission (Commission) for a declaratory ruling to resolve the following issues: 1) Does the Commission have jurisdiction over any utility providing natural gas to farm tap customers taking natural gas from the transmission line owned and operated by Northern Natural Gas Company (Northern)? 2) If so, which entity, NorthWestern Corporation dba NorthWestern Energy (NorthWestern) or Northern, if either, is a public utility as defined by SDCL Chapter 49 with respect to these farm tap customers? 3) Are the farm taps in whole or in part subject to state jurisdiction for the purpose of pipeline safety pursuant to SDCL Chapter 49-34B?

Notice of the filing was issued November 10, 2016. Intervention was granted to Northern, Northwestern, and Montana-Dakota Utilities on November 23, 2016. A Notice of Hearing was issued on November 30, 2016. The hearing was held as scheduled on December 14, 2016.

On January 24, 2017, the Commission issued a declaratory ruling. The Commission declared that it has jurisdiction over utilities providing natural gas to farm tap customers taking natural gas from the transmission lined owned and operated by Northern, that NorthWestern is a public utility as defined by SDCL Chapter 49 with respect to these farm tap customers, and that farm taps in whole or in part are not subject to state jurisdiction for the purpose of pipeline safety pursuant to SDCL Chapter 49-34-B.

On February 17, 2017, Northern filed a Petition for Rehearing and a Motion for Judicial Notice.

On February 23, 2017, NorthWestern filed a Petition for Reconsideration of Declaratory Ruling.

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26, 19-19-201, and 49-34A, and ARSD 20:10:01:29, 20:10:01:30.01, 20:10:01:34, 20:10:01:35, and 20:10:01:15.05. The Commission may rely upon any or all of these or other laws of this state in making its determination.

It is therefore

ORDERED, that the Commission shall hear Northern's Petition for Rehearing and Motion for Judicial Notice and NorthWestern's Petition for Reconsideration of Declaratory Ruling

beginning at 1:30 p.m. CST, on Tuesday, March 14, 2017, in Rm. 413, Capitol Building, Pierre, SD.

Dated at Pierre, South Dakota, this 28<sup>th</sup> day of February, 2017.

<p style="text-align: center;"><b>CERTIFICATE OF SERVICE</b></p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.</p> <p>By: <u>Adam Detbeck</u></p> <p>Date: <u>2/28/17</u></p> <p style="text-align: center;">(OFFICIAL SEAL)</p>
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BY ORDER OF THE COMMISSION:

Kristie Fiegen  
KRISTIE FIEGEN, Chairman

Gary Hanson  
GARY HANSON, Commissioner

Chris Nelson  
CHRIS NELSON, Commissioner