



1006 1st Avenue • P.O. Box 790 • Manson, IA 50563-0790
Phone: (888) 437-3835 or (712) 469-3708 • FAX: (712) 469-2609

RECEIVED

JAN 05 2017

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

1/3/2016

Public Utilities Commission
Capitol Building, 1st Floor
500 E. Capitol Ave
Pierre, SD 57501-5070

To Commissioner Chris Nelson & Consumer Affairs Manager Deb Gregg:

I have read through the articles and public documents regarding the possible discontinuation of farm taps along a natural gas pipeline being operated by Northwest Energy in southeast South Dakota. I am reaching out to the South Dakota Public Utilities Commission to offer our assistance to the farm tap customers that would be impacted by this possible shut off. Let me take a brief moment to introduce you to STAR Energy.

STAR Energy is a full service propane provider in South Dakota. Our propane service territory runs from the Sioux City to Sioux Falls and from Highway 81 to the South Dakota/Iowa border. In South Dakota, we have propane plants in Centerville, Canton, Beresford, and Alcester. In northwest Iowa, we have plants in Ireton, Westfield, Brunsville, and Akron. This allows us to service this area very efficiently.

STAR Energy is a division of GROWMARK, Inc. GROWMARK owns and operates a propane terminal in Canton, SD. This Canton, SD, terminal allows STAR Energy to have a consistent and dependable supply of propane for our customers.

We have made two commitments at STAR Energy to assist if this discontinuation of the farm tap was to move forward. First, I have empowered the resources of the STAR Energy staff including; Chris Shimanski – Energy Development Specialist, Joe Mernka – Manager, Propane Marketing and Business Development, Shelly Moline-Controller, Megan Johnson- Operations Manager and myself to put forth all of our efforts to assist in supplying propane storage and install to any of the farm tap customers of Northwest Energy that are affected by this decision to disconnect service. We have also put together a program that would allow the affected customers to be converted from the current natural gas pipeline to propane for little to no cost to the customer. We plan to communicate the details of our proposal once the final ruling has been made.

If further information is requested prior to this ruling, please feel free to contact Jeff Manthei at 888-437-3835 or Chris Shimanski at 605-563-2033. Chris will be our local contact for any and all questions. Chris resides in Sioux Falls, SD, and offices out of the Centerville, SD, location.

Sincerely,

Jeff Manthei
General Manager
STAR Energy a division of GROWMARK, Inc.

000708



Kristie Fiegen, Chairperson
Gary Hanson, Vice Chairperson
Chris Nelson, Commissioner

South Dakota

PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue
Pierre, South Dakota 57501-5070
www.puc.sd.gov

Capitol Office
(605) 773-3201

Grain Warehouse
(605) 773-5280

Consumer Hotline
1-800-332-1782

Email
puc@state.sd.us

January 5, 2017

General Manager Jeff Manthei
Star Energy
PO Box 790
Manson, IA 50563-0790

Dear Mr. Manthei:

Thank you for your letter regarding the farm taps matter, docket NG16-014. I appreciate your offer to provide natural gas to propane conversion equipment along with propane service to the farm tap customers in South Dakota affected by this docket if under a very unfortunate circumstance this matter cannot be successfully resolved.

You are likely following the progress of this docket and are aware of an upcoming meeting involving PUC staff along with officials from Northern Natural Gas and NorthWestern Energy. Here is an excerpt from a letter filed by PUC staff's in the docket.

Staff hereby informs the Commission and interested persons that Staff, Northern Natural Gas, and NorthWestern Energy have agreed to enter into discussions to negotiate for the benefit of the farm tap customers. In order to allow adequate time to have these discussions, we request that the Commission delay its decision until the regularly scheduled Commission meeting on January 17, 2017, rather than January 3, as previously intended. Staff, as the petitioner in this matter, hereby waives the 60-day requirement pursuant to ARSD 20:10:01:35. Staff has communicated with Northern, NorthWestern, and Montana-Dakota Utilities, and has received their consent to submit this request.

You can find the public docket by going to the commission's home page at www.puc.sd.gov and clicking on Commission Actions, Commission Dockets, Natural Gas Dockets, 2016 Natural Gas Dockets, and scroll down to docket NG16-014.

Since this is an open docket before the commission on which I will be voting, your letter and my response will be posted under Comments and Responses for my fellow commissioners, the PUC staff working on this docket, and others to read.

Sincerely,


Chris Nelson

000709