

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

IN THE MATTER OF THE FILING BY)	ORDER GRANTING WAIVER
MONTANA-DAKOTA UTILITIES CO., A)	AND APPROVING
SUBSIDIARY OF MDU RESOURCES)	DETERMINATION OF FUEL
GROUP INC., A REQUEST FOR WAIVER)	AND PURCHASE POWER
OF FUEL AND PURCHASE POWER)	ADJUSTMENT RATE 58
ADJUSTMENT RATE 58)	TARIFF AS APPLIED
)	TO REPOWERED WIND
)	FACILITIES
)	
)	EL22-021

On August 3, 2022, the South Dakota Public Utilities Commission (Commission) received a request from Montana-Dakota Utilities Co. (MDU) for approval of a waiver of the Fuel and Purchased Power Adjustment (FPPA) Rate 58 tariff to allow MDU to retain the Production Tax Credits (PTCs) from the repowering of Diamond Willow Wind Phase 1. MDU is currently in the process of repowering Diamond Willow Wind Phase 1 which consists of 13 wind turbines near Baker, Montana. The repowering of Diamond Willow Wind Phase 1 is expected to be completed in late 2022 and will qualify for PTCs for a period of ten years. With this filing, MDU requests a ruling identifying that the new PTCs will not be subject to the provisions of MDU's FPPA Rate 58 tariff.

On August 4, 2022, the Commission electronically transmitted notice of the filing and the intervention deadline of August 19, 2022, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed. On September 7, 2022, Commission staff filed a memorandum.

The Commission has jurisdiction in this matter pursuant to SDCL Chapter 49-34A, specifically, 49-34A-4, 49-34A-10, and 49-34A-25 .

At its regularly scheduled meeting on September 13, 2022, the Commission considered this matter. Commission staff recommended granting the waiver and approval of the determination that the new PTCs resulting from the repowering of Diamond Willow Wind Phase 1 are not subject to the provisions of MDU's FPPA tariff until MDU requests inclusion of the costs of repowering in rates, and that this approval shall not preclude Commission review of the project, including project and cost management and accounting data and methods, review of the prudence and reasonableness of rate recovery in any determination of rates (including rate filings by MDU or rate reviews initiated by the Commission), and that it does not guarantee any such rate recovery.

Finding the determination to be just and reasonable, the Commission voted unanimously to approve MDU's request for waiver and the aforementioned determination with the conditions as outlined by Commission staff. It is therefore

ORDERED, that MDU's request for waiver is granted and the request for a determination that the new PTCs resulting from the repowering of Diamond Willow Wind Phase 1 are not subject

to the provisions of MDU's FPPA tariff until MDU requests inclusion of the costs of repowering in rates is hereby approved, subject to the condition that such approval shall not preclude Commission review of the project, including project and cost management and accounting data and methods, review of the prudence and reasonableness of rate recovery in any determination of rates (including rate filings by MDU or rate reviews initiated by the Commission), and that it does not guarantee any such rate recovery.

Dated at Pierre, South Dakota, this 14th day of September 2022.

CERTIFICATE OF SERVICE

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.

By: _____

Date: _____

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson
CHRIS NELSON, Commissioner

Kristie Fiegen
KRISTIE FIEGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner