

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

<b>IN THE MATTER OF STAFF'S REQUEST</b>	)	<b>ORDER GRANTING</b>
<b>REGARDING THE FEBRUARY 2021</b>	)	<b>TEMPORARY WAIVER OF</b>
<b>COLD WEATHER EVENT AND ITS</b>	)	<b>TARIFF PROVISIONS ON</b>
<b>IMPACT ON UTILITY FUEL CLAUSE</b>	)	<b>LESS THAN 30 DAYS'</b>
<b>ADJUSTMENTS AND PURCHASED</b>	)	<b>NOTICE TO MITIGATE RATE</b>
<b>GAS ADJUSTMENTS</b>	)	<b>IMPACTS FOR MONTANA-</b>
	)	<b>DAKOTA, NORTHWESTERN,</b>
	)	<b>AND MIDAMERICAN</b>
	)	<b>CUSTOMERS</b>
	)	
	)	<b>GE21-001</b>

On February 17, 2021, the South Dakota Public Utilities Commission (Commission) received a Petition from Commission staff (Staff) for Temporary Waiver of Fuel Clause Adjustment and Purchased Gas Adjustment Tariff Provisions to Mitigate Rate Impacts due to the February 2021 cold weather event. Staff requests the Commission issue an Order authorizing Staff to work with the South Dakota electric and natural gas investor-owned utilities to make the necessary modifications to the Fuel Clause Adjustment and/or Purchased Gas Adjustment tariffs to mitigate the rate impact associated with the increased natural gas costs from the February 2021 cold weather event. Staff also requests the Commission provide a temporary waiver of the tariff language that might be contradictory to the modifications implemented regarding this specific weather event.

On February 18, 2021, the Commission electronically transmitted notice of the filing and the initial comments due February 22, 2021, to interested entities and persons on the Commission's PUC Weekly Filings electronic listserv. No comments were filed. Parties to the docket include Black Hills Power, Inc. dba Black Hills Energy (Black Hills); MidAmerican Energy Company (MidAmerican); Montana-Dakota Utilities Company (Montana-Dakota); NorthWestern Corporation dba NorthWestern Energy (NorthWestern); Otter Tail Power Company (Otter Tail); and Northern States Power Company dba Xcel Energy (Xcel) (jointly, Investor-Owned Utilities).

On February 22, 2021, Staff filed a memorandum outlining its request and describing the rate impacts and/or rate mitigation proposals of each investor-owned utility. In its Memorandum, Staff specifically detailed plans for modifications to natural gas Purchased Gas Adjustments for Montana-Dakota and NorthWestern. Staff requested the Commission issue an Order authorizing Staff to work with the Investor-Owned Utilities to make the necessary modifications to the Fuel Clause Adjustments and/or Purchased Gas Adjustments, provide a temporary waiver of any tariff language that might be contradictory to the remediations taken in the process, and approve the temporary waiver and rate mitigation plans on less than 30 days' notice. As an alternative option, Staff recommended the Commission approve the plans specified in the Staff Memorandum for Montana-Dakota and NorthWestern on less than 30 days' notice.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-10 and 49-34A-25.

At its ad hoc meeting on February 23, 2021, the Commission considered this matter. Each investor-owned utility was represented and provided additional details regarding the rate impacts of the February 2021 cold weather event. MidAmerican verbally detailed its plan to modify its Purchased Gas Adjustment to mitigate rate impacts to its natural gas customers. Staff recommended the Commission approve its recommendations set forth in the Staff Memorandum,

with the addition that if the Commission adopts Staff's alternative recommendation, that the Commission approve the plan presented by MidAmerican at the ad hoc meeting in addition to approving the plans specified in the Staff Memorandum for Montana-Dakota and NorthWestern. Staff recommended these three plans and the waiver of tariff provisions necessary for implementation of these three plans be approved on less than 30 days' notice, effective March 1, 2021.

The Commission voted unanimously to approve Staff's alternative recommendation. The Commission found that the plans for MidAmerican, Montana-Dakota, and NorthWestern to modify their Purchased Gas Adjustments are just and reasonable and result in mitigation of potential rate shock to South Dakota natural gas customers and that the temporary waiver of tariff provisions contradictory to implementation of these three plans should be granted, effective March 1, 2021. The Commission further found that Staff should work with the Investor-Owned Utilities to determine if any additional modifications to Fuel Clause Adjustments and/or Purchased Gas Adjustments are needed in order to mitigate rate shock for customers due to the February 2021 cold weather event. However, such additional modifications shall not be included in the temporary waiver effective March 1, 2021, and shall require future Commission approval.

It is therefore

ORDERED, that Staff is authorized to work with Montana-Dakota and NorthWestern to finalize and implement their respective rate mitigation plans as detailed in Staff's Memorandum and discussed at the ad hoc meeting; and to work with MidAmerican to finalize and implement its rate mitigation plan as described by MidAmerican at the ad hoc meeting. It is further

ORDERED, that Staff is authorized to continue discussions with all Investor-Owned Utilities regarding additional modifications to Fuel Clause Adjustments and/or Purchased Gas Adjustments that may be needed at a later time. Such additional modifications shall require future Commission approval. It is further

ORDERED, that the rate mitigation plans of MidAmerican, Montana-Dakota, and NorthWestern, as explained for Montana-Dakota and NorthWestern in the Staff Memorandum and described verbally by MidAmerican at the ad hoc meeting, are hereby approved on less than 30 days' notice, effective March 1, 2021. It is further

ORDERED, that a temporary waiver of the tariff language is granted in order to implement the modifications to the Purchased Gas Adjustments for MidAmerican, Montana-Dakota, and NorthWestern. Such waiver shall only apply to this weather event and is hereby approved on less than 30 days' notice, effective March 1, 2021.

Dated at Pierre, South Dakota, this 25<sup>th</sup> day of February 2021.

<b>CERTIFICATE OF SERVICE</b>	
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 mail.	
By:	<u>Adam Detruck</u>
Date:	<u>2/25/21</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Chris Nelson  
CHRIS NELSON, Chairman

Kristie Fiegen  
KRISTIE FIGEN, Commissioner

Gary Hanson  
GARY HANSON, Commissioner