Tariffs Reflecting Proposed Changes



Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| | 3 rd Revised Sheet No. 1 |
|--|-------------------------------------|
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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 2

1st Revised Sheet No. 1 Canceling Original Sheet No. 1

PRELIMINARY STATEMENT

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PRELIMINARY STATEMENT *Designates Region Office

Montana-Dakota Utilities Co. serves twenty-six (26) towns and their environs in eleven (11) counties in South Dakota with natural gas. Counties served are:

Butte Edmunds Harding Hughes Lawrence Meade Pennington Potter

Stanley Sully Walworth

Communities served under Rate 66 or 76 are designated (66/76), all other communities are served under the otherwise applicable rates.

Bismarck Region

Agar<u>(66/76)</u> Bowdle<u>(66/76)</u> Ft. Pierre<u>(66/76)</u> Gettysburg(66/76) Glenham-(66/76) Ipswich-(66/76) Mobridge-(66/76) Onida (66/76) Pierre (66/76) Roscoe (66/76) Selby (66/76)

Rapid City Region

Belle Fourche Black Hawk Box Elder Camp Crook Central City Deadwood Lead Piedmont Pluma *Rapid City St. Onge Spearfish Sturgis Terraville Whitewood

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 3rd Revised Sheet No. 2 Canceling 2nd Revised Sheet No. 2

RESIDENTIAL GAS SERVICE Rate 60

Availability:

In all communities served, except for those communities set forth on Rate 66 or Rate 76, for all domestic uses. See Rate 100, §V.3, for definition of class of service.

Rate:

| Basic Service Charge: | \$ <u>0.250.30</u> per day | ł |
|-------------------------------|---|---|
| Distribution Delivery Charge: | \$ <u>1.571</u> 1.797 per dk | I |
| Cost of Gas: | Determined Monthly – See Rate Summary Sheet for Current Rate | |

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in Purchased Gas Cost Adjustment Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

Distribution Delivery Stabilization Mechanism:

Service under this rate schedule is subject to an adjustment for the effects of weather in accordance with the Distribution Delivery Stabilization Mechanism Rate 87 or any amendments or alterations thereto.

Conservation Tracking Adjustment:

Service under this rate schedule is subject to a charge for the Experimental Conservation Program Tracking Mechanism as set forth in Rate 90 or any amendment or alterations thereto.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| | | Section No. 3 Original Sheet No. 5 Canceling Vol. 1 2 nd Rev. Sheet No. 5 |
|-----------------|---|---|
| ELLS | WORTH AIR FORCE BASE Rate 64 | Canceling Vol. 12 Nev. Sheet No. 5 |
| | | Page 1 of 2 |
| Avail | ability: Service under this rate schedule is a Ellsworth Air Force Base (EAFB). | wailable, on an interruptible basis, to the |
| Rate: | | |
| | Basic Service Charge: | \$95.00 per month |
| | Distribution Delivery Charge: | \$0.062 per dk |
| | Cost of Gas: | Determined Monthly - See Rate Summary Sheet for Current Rate |
| Minin | num Bill: Basic Service Charge. | |
| Paym | Billed amounts will be considered part the bill. Past due bills are subject to | st due if not paid by the due date shown on a late payment charge in accordance with any amendments or alterations thereto. |
| Cost (| of Gas: | |
| | 0 11 | e cost of gas items as defined in Purchased amendments or alterations thereto. The hange on a monthly basis. |
| Gas E | elivery Management Fee: | |
| | under this rate schedule shall be sub | oove, all volumes of natural gas delivered ject to a gas Delivery Management Fee subject to approval by the South Dakota |

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 5.1 Canceling Vol. 1 2nd Rev. Sheet No. 5.1

ELLSWORTH AIR FORCE BASE Rate 64

Page 2 of 2

General Terms and Conditions:

- 1. PRIORITY OF SERVICE Deliveries of gas under this schedule shall be subject at all times to the prior demands of customers served on the Company's firm general gas service rates, and the Company shall have the right to interrupt deliveries to customers under this schedule without being required to give previous notice of intention to so interrupt whenever, in Company's sole judgment, it may be necessary to do so to protect the interest of its customers whose capacity requirements are otherwise and hereby given preference. The priority of service and allocation of capacity shall be accomplished in accordance with the Provisions of Rate 100, §V.10.
- 2. PENALTY FOR FAILURE TO CURTAIL OR INTERRUPT If customer fails to curtail or interrupt their use of gas hereunder when requested to do so by the Company, any gas taken shall be billed at the Firm General Gas Service Rate 70 (distribution delivery charge and cost of gas), plus either an amount equal to any penalty payments or overrun charges the Company is required to make to its interconnecting pipeline(s) under the terms of its contract(s) as a result of such failure to curtail or interrupt, or \$30.00 per dk of gas used in excess of the volume of gas to which customer was requested to curtail or interrupt, whichever amount is greater. The Company, in its discretion, may shut off customer's supply of gas in the event of customer's failure to curtail or interrupt use of gas when requested to do so by the Company.
- 3. CONTRACT Terms of service other than the rate shall be as specified in contracts between EAFB and the Company.
- 4. RULES The foregoing schedule is subject to Rates 100 through 134 and any amendments or alterations thereto or additional rules and regulations promulgated by the Company under the laws of the state.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| Section No |). |
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| 1 st Revised Sheet No |). |
| Canceling Original Sheet No |). |
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EAST RIVER NATURAL GAS SYSTEM RESIDENTIAL GAS SERVICE Rate 66

Availability:

In the following communities, for all domestic uses except for resale. See Rate-100 §V.3, for definition on class of service.

| Agar | Glenham | · Pierre |
|------------|----------------|----------|
| Bowdle | Ipswich | Roscoe |
| Ft. Pierre | Mobridge | Selby |
| Gettysburg | Onida | - |

Rate:

| Basic Service Charge: | \$0.15 per day |
|-------------------------------|---|
| Distribution Delivery Charge: | \$2.915 per dk |
| Cost of Gas: | Determined Monthly – See Rate Summary Sheet for Current Rate |

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in Purchased Gas Cost Adjustment Rate 89 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

Distribution Delivery Stabilization Mechanism:

Service under this rate schedule is subject to an adjustment for the effects of weather in accordance with the Distribution Delivery Stabilization Mechanism Rate 87, or any amendments or alterations thereto. Reserved for future use

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

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|----|---|-----|-----|-----|----|-----|-----|------------|-----|-----|------------------|----|
| RE | S | ID | EN | TIA | LG | AS | SEF | VIC |)E | Rat | e 6 (| \$ |

Section No. 3

1st Revised Sheet No. 7.1

Canceling Original Sheet No. 7.1

Page 2 of 2

Conservation Tracking Adjustment:

Service under this rate schedule is subject to a charge for the Experimental Conservation Program Tracking Mechanism as set forth in Rate 90 or any amendment or alterations thereto.

General Terms and Conditions:

RULES – The foregoing schedule is subject to Rates 100 through 134, and any amendments or alterations thereto or additional rules and regulations promulgated by the Company under the laws of the state.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| | Section No. 3 2 nd Revised Sheet No. 11 |
|---|--|
| IRM GENERAL GAS SERVICE Rate 70 | Canceling 1 st Revised Sheet No. 11 |
| | Page 1 of 2 |
| Availability: In all communities served , except for the Rate 76, for all purposes except for resal input rate of 2,500,000 BTU per hour sha taking service under this rate schedule a 100, §V.3, for definition on class of service | le. Customers with loads exceeding an all consult with the Company prior to s provided in Rate 100 § III.2. See Rate |
| Rate: Basic Service Charge: For customers with meters rated under 500 cubic feet per hour | \$ 0.35 <u>0.42</u> per day |
| For customers with meters rated over 500 cubic feet per hour | \$ 0.70<u>1.00</u> per day |
| Distribution Delivery Charge: | \$ 1.175<u>1.295</u> per dk |
| Cost of Gas: | Determined Monthly – See Rate Summary Sheet for Current Rate |

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Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in Purchased Gas Cost Adjustment Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

Distribution Delivery Stabilization Mechanism:

Service under this rate schedule is subject to an adjustment for the effects of weather in accordance with the Distribution Delivery Stabilization Mechanism Rate 87 or any amendments or alterations thereto.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 1st Revised Sheet No. 11.1 Canceling Original Sheet No. 11.1

FIRM GENERAL GAS SERVICE Rate 70

Page 2 of 2

Conservation Tracking Adjustment:

Service under this rate schedule is subject to a charge for the Experimental Conservation Program Tracking Mechanism as set forth in Rate 90 or any amendment or alterations thereto.

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General Terms and Conditions:

RULES - The foregoing schedule is subject to Rates 100 through 134 and any amendments or alterations thereto or additional rules and regulations promulgated by the Company under the laws of the state.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| | Section No. 3 |
|--|--------------------------------------|
| | 1 st Revised Sheet No. 12 |
| | Canceling Original Sheet No. 12 |
| SMALL INTERRUPTIBLE GENERAL GAS SERVICE Rate | e 71 |
| | Page 1 of 3 |

Availability:

In all communities served, except for communities set forth on Rate 66 or Rate 76, for all interruptible general gas service customers whose interruptible natural gas load will exceed an input rate of 2,500,000 Btu per hour, metered at a single delivery point and whose use of natural gas will not exceed 40,000 dk annually. The rates herein are applicable only to customer's interruptible load. Customer's firm natural gas requirements must be separately metered or specified in a firm service agreement. Customer's firm load shall be billed at Firm General Gas Service Rate 70. For interruption purposes, the maximum daily firm requirement shall be set forth in the firm service agreement.

| ale. | Basic Service Charge: | \$ 50.00 150.00 per month | I |
|------|-------------------------------|---|--------|
| | Distribution Delivery Charge: | | |
| | Maximum Rate Minimum Rate | \$ 0.453 0.381 per dk \$0.131 0.047 per dk | R R |
| | Cost of Gas: | Determined Monthly – See Rate Summary Sheet for Current Rate | |

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in Purchased Gas Cost Adjustment Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 12.1 Canceling Vol. 1 1st Rev. Sheet No. 12.1 SMALL INTERRUPTIBLE GENERAL GAS SERVICE Rate 71

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General Terms and Conditions:

- PRIORITY OF SERVICE Deliveries of gas under this schedule shall be subject at all times to the prior demands of customers served on the Company's firm general gas service rates, and the Company shall have the right to interrupt deliveries to customers under this schedule without being required to give previous notice of intention to so interrupt whenever, in Company's sole judgment, it may be necessary to do so to protect the interest of its customers whose capacity requirements are otherwise and hereby given preference. The priority of service and allocation of capacity shall be accomplished in accordance with the Provisions of Rate 100, §V.10.
- 2. PENALTY FOR FAILURE TO CURTAIL OR INTERRUPT If customer fails to curtail or interrupt their use of gas hereunder when requested to do so by the Company, any gas taken shall be billed at the Firm General Gas Service Rate 70 (distribution delivery charge and cost of gas), plus either an amount equal to any penalty payments or overrun charges the Company is required to make to its interconnecting pipeline(s) under the terms of its contract(s) as a result of such failure to curtail or interrupt, or \$30.0050.00 per dk of gas used in excess of the volume of gas to which customer was requested to curtail or interrupt, whichever amount is greater. The Company, in its discretion, may shut off customer's supply of gas in the event of customer's failure to curtail or interrupt use of gas when requested to do so by the Company.
- 3. AGREEMENT Upon request of the Company, customer may be required to enter into an agreement for service hereunder. If mutually agreed to by the Company and customer, the term of service reflected in such agreement may be amended. Upon expiration of service, the customer may apply for and receive, at the sole discretion of the Company, gas service under another appropriate rate schedule for the customer's operations.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| Canceling OPTIONAL SEASONAL GENERAL GAS SERVICE Rate 72 | Section No. 3 4 th Revised Sheet No. 13 3 rd Revised Sheet No. 13 | |
|--|---|---|
| | Page 1 of 2 | |
| Availability: In all communities served , except for those communities s for customers otherwise qualifying for service under Firm Rate 70. See Rate 100, §V.3, for definition of class of ser | General Gas Service | т |
| Rate: | | |
| Basic Service Charge: For customers with meters rated under 500 cubic feet per hour | \$ 0.35<u>0.42</u> per day | I |
| For customers with meters rated over 500 cubic feet per hour | \$ <u>0.701.00</u> per day | I |
| Distribution Delivery Charge: | \$ <u>1.1751.295</u> per dk | I |
| Cost of Gas: Winter – Service rendered October 1 through May 31 | Determined Monthly – See Rate Summary Sheet for Current Rate | |
| Summer – Service rendered June 1 through September 30 | Determined Monthly – See Rate Summary Sheet for Current Rate | |

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in Purchased Gas Cost Adjustment Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| Section | No. 3 |
|---|--------|
| 1 st Revised Sheet No | . 13.1 |
| Canceling Original Sheet No | . 13.1 |
| OPTIONAL SEASONAL GENERAL GAS SERVICE Rate 72 | |

Page 2 of 2

Conservation Tracking Adjustment:

Service under this rate schedule is subject to a charge for the Experimental Conservation Program Tracking Mechanism as set forth in Rate 90 or any amendment or alterations thereto.

Т

General Terms and Conditions:

- 1. TERM The customer agrees to contract for service under the Optional Seasonal General Gas Service Rate 72 for a minimum of one year.
- 2. RULES The foregoing schedule is subject to Rates 100 through 134 and any amendments or alterations thereto or additional rules and regulations promulgated by the Company under the laws of the state.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 17 EAST RIVER NATURAL GAS SYSTEM FIRM GENERAL GAS SERVICE Rate 76 Page 1 of 2 **Availability:** In the following communities, for all purposes except for resale. See Rate 100-§V.3, for definition on class of service. Agar Glenham Pierre Bowdle lpswich Roscoe Ft. Pierre Mobridge Selby Gettysburg Onida Rate: **Basic Service Charge:** For customers with meters rated under 500 cubic feet per hour \$0.25 per day For customers with meters rated over 500 cubic feet per hour \$0.50 per day **Distribution Delivery Charge:** \$2.598 per dk Cost of Gas: **Determined Monthly - See Rate** Summary Sheet for Current Rate **Minimum Bill:** Basic Service Charge.

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Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in Purchased Gas Cost Adjustment Rate 89 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

EAST RIVER NATURAL GAS SYSTEM FIRM GENERAL GAS SERVICE Rate 76

Section No. 3 1st Revised Sheet No. 17.1 Canceling Original Sheet No. 17.1

Page 2 of 2

Distribution Delivery Stabilization Mechanism:

Service under this rate schedule is subject to an adjustment for the effects ofweather in accordance with the Distribution Delivery Stabilization Mechanism Rate-87, or any amendments or alterations thereto.

Conservation Tracking Adjustment:

Service under this rate schedule is subject to a charge for the Experimental Conservation Program Tracking Mechanism as set forth in Rate 90 or any amendment or alterations thereto.

General Terms and Conditions:

RULES – The foregoing schedule is subject to Rates 100 through 134, and any amendments or alterations thereto or additional rules and regulations promulgated by the Company under the laws of the state.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 1st Revised Sheet No. 22 Canceling Original Sheet No. 22

TRANSPORTATION SERVICE Rates 81 and 82

Page 1 of 10

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Availability:

This service is applicable, except for customers served on Rate 66 or Rate 76, for transportation of natural gas to customer's premise (metered at a single delivery point) through Company's distribution facilities. In order to obtain transportation service, customer must qualify under an applicable gas transportation service rate; meet the general terms and conditions of service provided hereunder; and enter into a gas transportation agreement upon request by the Company.

The transportation services are as follows:

Small Interruptible General Gas Transportation Service Rate 81:

Transportation service is available for all general gas service customers whose interruptible natural gas load will exceed an input rate of 2,500,000 Btu per hour, metered at a single delivery point whose average use of natural gas will not exceed 40,000 dk annually, and who, absent the request for transportation service, are eligible for natural gas service, on an interruptible basis, pursuant to Company's effective Small Interruptible General Gas Service Rate 71. Customer's firm natural gas requirements must be separately metered or specified in a firm service agreement. Customer's firm load shall be treated and billed in accordance with the provisions of Firm General Gas Service Rate 70.

Large Interruptible General Gas Transportation Service Rate 82:

Transportation service is available for all general gas service customers whose interruptible natural gas load will exceed an input rate of 2,500,000 Btu per hour, metered at a single delivery point, whose average use of natural gas will exceed 40,000 dk annually, and who, absent the request for transportation service, are eligible for natural gas service on an interruptible basis, pursuant to Company's effective Large Interruptible General Gas Service Rate 85. Customer's firm natural gas requirements must be separately metered or specified in a firm service agreement. Customer's firm load shall be treated and billed in accordance with the provisions of Firm General Gas Service Rate 70.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 1st Revised Sheet No. 22.1 Canceling Original Sheet No. 22.1

TRANSPORTATION SERVICE Rates 81 and 82

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Rate:

 Basic Service Charge:

 Rate 81
 \$125.00

 Rate 82
 \$225.00

 Sate 82
 \$125.00

- 1/ In the event customer takes service through one meter under both Rates 71 and 81, the base rate under Rate 81 shall be waived.
- 2/ In the event customer takes service through one meter under both Rates 85 and 82, the base rate under Rate 82 shall be waived.

Under Rates 81 or 82 customer shall pay a negotiated rate not more than the maximum rate or less than the minimum rate specified below. (The per dk charge is applicable to all dk of natural gas transported under the terms of this rate.)

| | | <u>Rate 81</u> | Rate 82 | |
|---|--------------------------|---------------------------|---------------------------|----|
| ļ | Maximum Rate per dk | \$ 0.453 0.381 | \$ 0.187 0.288 | IR |
| | Minimum Rate per dk | \$ 0.131 0.047 | \$ 0.090 0.036 | R |
| | -Balancing Charge per dk | \$0.300 | \$0.300- | D |

Fuel Charge:

Applicable to all dk transported to customers located within the distribution system. Charge does not apply to transmission level customers interconnected directly to the interstate or intrastate pipeline. See Rate Summary Sheet for currently effective charge.

GENERAL TERMS AND CONDITIONS:

 CRITERIA FOR SERVICE – In order to receive the service, customer must qualify under one of the Company's applicable natural gas transportation service rates and comply with the general terms and conditions of the service provided herein. The customer is responsible for making all arrangements for transporting the gas from its source to the Company's interconnection with the delivering pipeline(s).

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 22.8 Canceling Vol. 1 2nd Rev. Sheet No. 22.8

TRANSPORTATION SERVICE Rates 81 and 82

Page 4 of 10

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or interrupt, or \$30.00<u>50.00</u> per dk of gas used in excess of the volume of gas to which customer was requested to curtail or interrupt, whichever amount is greater. The Company, in its discretion, may shut off customer's supply of gas in the event of customer's failure to curtail or interrupt use of gas when requested to do so by the Company. <u>The Company may install automatic</u> <u>shut-off or curtailment equipment, at the customer's expense, to regulate the</u> <u>amount of gas customer may use at the time of curtailment or interruption.</u>

6. NON-DELIVERED VOLUMES/PENALTY:

a. In the event customer uses more gas than is being delivered to the Company's interconnection with the delivering pipeline(s) (receipt point), customer shall pay an amount equal to any penalty payments or overrun charges the Company is required to make to its interconnecting pipeline(s) under the terms of its contract(s) resulting from such action by customer. In the event that more than one customer is obtaining gas from the same shipper and/or agent at the same receipt point, any payment or overrun penalties the Company is required to make shall be allocated on a pro rata basis among such customers on the basis of each customer's use of gas in excess of available volumes.

- b. In the event the customer's gas is not being delivered to the receipt point for any reason and the customer continues to take gas, the customer shall be subject to any applicable penalties or charges set forth in Paragraph 6.a. Gas volumes supplied by Company will be billed at Firm General Service Rate 70 (distribution delivery charge and cost of gas). The Company is under no obligation to notify customer of non-delivered volumes.
- c. In the event customer's transportation volumes are not available for any reason, customer may take interruptible sales service if such service is available. The availability of interruptible sales service shall be determined at the sole discretion of the Company.
- 7. ELECTION OF SERVICE Prior to the initiation of service hereunder, the customer shall make an election of its requirements under each applicable rate schedule for the entire term of service. If mutually agreed to by the Company and customer, the term of service may be amended. Upon expiration of service, the customer may apply for and receive, at the sole discretion of the

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 22.8 Canceling Vol. 1 2nd Rev. Sheet No. 22.8

TRANSPORTATION SERVICE Rates 81 and 82

Page 5 of 10

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Company, gas service under the appropriate sales rate schedule for the customer's operations.

- 8. RECONNECTION FEE Transportation customers who cease service and then resume service within the succeeding 12 months shall be subject to a reconnection charge as specified in Rate 100, §V.18.
- 9. BALANCING:
 - To the extent practicable, customer and Company agree to the daily a____ balancing of volumes of gas received and delivered on a thermal basis. Such balancing is subject to the customer's request and the Company'sdiscretion to vary scheduled receipts and deliveries within existing-Company operating limitations. If, at the end of a billing month, the accumulated difference between actual gas deliveries to the customer and nominated (scheduled) receipts on behalf of such customer exceeds-4% of that month's scheduled receipts, resulting in a negative imbalance (i.e., deliveries exceed scheduled receipts), the customer will be assessed a balancing charge, set forth herein, on the imbalanceexceeding 4%. If such imbalance is not eliminated by the end of the nextmonthly billing period, the customer shall then be billed, in addition to the applicable transportation rate, a penalty for the under nominated volumeexceeding 4% at the Firm General Gas Service Rate 70 (distributiondelivery charge and cost of gas). The accumulated difference betweenthe actual gas deliveries to the customer and nominated (scheduled) receipts on behalf of such customer will be adjusted for the volume onwhich a penalty was imposed. If, at the end of a billing month, theaccumulated difference between nominated (scheduled) receipts onbehalf of such customer and actual gas deliveries to the customerexceeds 4% of that month's scheduled receipts, resulting in a positiveimbalance (i.e., scheduled receipts exceed deliveries), the customer willbe assessed a balancing charge, set forth herein, on the imbalance exceeding 4%. If such imbalance is not eliminated by the end of the nextmonthly billing period, (1) the Company may adjust the volume of gasreceived on behalf of the customer so as to eliminate the prior period over nomination exceeding 4% up to 10% and (2) the Company shallretain the over nomination of gas exceeding 10% free and clear of anyadverse claims relating thereto when such accumulated difference exceeds 50 dk. The accumulated difference between the actual gas-

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| Section No. 3 Original Sheet No. 22.8 | |
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| Canceling Vol. 1 2 nd Rev. Sheet No. 22.8 RANSPORTATION SERVICE Rates 81 and 82 | |
| Page 6 of 10 | |
| deliveries to the customer and nominated (scheduled) receipts on behalf of such customer will be adjusted for the volume retained. | D |
| b. In the event customer's imbalance causes the Company to incur a balancing penalty from its interconnecting pipeline(s), customer shall payany penalty payments or overrun charges the Company is required to make under the terms of its contract(s) with interconnecting pipeline(s) resulting from such action by customer. In the event that more than one customer is obtaining gas from the same shipper and/or agent at the same interconnection with a delivering pipeline, any payment or overrun penalties the Company is required to make shall be apportioned among such customers on the basis of each customer's contribution toward the imbalance. | |
| c. Customer's nominations made to clear imbalances will be subject to the priority of service and allocation of capacity provisions set forth in Rate 100, §V.10, and the penalties for failure to curtail or interrupt use of gas set forth in Paragraph 5 of this rate schedule. | |
| d. Termination of the gas transportation service shall not relieve- Company and customer of the obligation to correct any quantity- imbalances hereunder or customer of the obligation to pay money due- hereunder to Company. | |
| e. The Company may waive any penalty associated with Company- adjustments to end-use customer nominations in those instances where- the Company, due to operating limitations, is required to adjust end-use- transportation customer nominations and such Company adjustments- create a penalty situation, or preclude a customer from correcting an- imbalance which results in a penalty. | D |
| 9. DAILY IMBALANCE - To the extent practicable, customer and Company agree to the daily balancing of volumes of gas received and delivered on a thermal basis. Such balancing is subject to the customer's request and the Company's discretion to vary scheduled receipts and deliveries within existing Company operating limitations. | N |
| In the event that the deviation between scheduled daily volumes and actual daily volumes of gas used by customer causes the Company to incur any | N |
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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| Section No. 3 Original Sheet No. 22.8 Canceling Vol. 1 2 nd Rev. Sheet No. 22.8 TRANSPORTATION SERVICE Rates 81 and 82 | |
|---|---|
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| additional costs from interconnecting pipelines(s), customer shall be solely responsible for all such penalties, fines, fees or costs incurred. If more than one customer has caused the Company to incur these additional costs, all costs will be prorated to each customer based on the customer's over- or under-take as a percentage of the total. | N |
| 10. MONTHLY IMBALANCE – The customer's monthly imbalance is the difference between the amount of gas received by Company on customer's behalf and actual gas deliveries to customer. Monthly imbalances will not be carried forward to the next calendar month. | |
| a. Undertake Purchase Payment – If the monthly imbalance is due to more gas delivered on customer's behalf than the actual volumes used, Company shall pay customer an Undertake Purchase Payment in accordance with the following schedule: | |
| $\frac{\% \text{ Monthly}}{\text{Imbalance}}$ Undertake Purchase Rate $0\% - 5\%$ $100\% \text{ Cash-out Mechanism}$ $> 5\% \text{ and } <= 10\%$ $90\% \text{ Cash-out Mechanism}$ $> 10\% \text{ and } <= 15\%$ $80\% \text{ Cash-out Mechanism}$ $> 15\% \text{ and } <= 20\%$ $70\% \text{ Cash-out Mechanism}$ $> 20\%$ $60\% \text{ Cash-out Mechanism}$ | |
| Where the Cash-out Mechanism is equal to the lesser of the Company's WACOG or the Index Price, as defined in Paragraphs 10(c) and 10(d). b. Overtake Charge – If the monthly imbalance is due to more gas actually used by the customer than volumes delivered on their behalf, Customer shall pay Company an Overtake Charge in accordance with the following schedule: | N |

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 22.8 Canceling Vol. 1 2nd Rev. Sheet No. 22.8

TRANSPORTATION SERVICE Rates 81 and 82

Page 8 of 10

| <u>% Monthly</u> | |
|--------------------------------|-------------------------|
| Imbalance | Overtake Purchase Rate |
| <u>0% - 5%</u> | 100% Cash-out Mechanism |
| <u>> 5 % and <= 10%</u> | 110% Cash-out Mechanism |
| <u>> 10 % and <= 15%</u> | 120% Cash-out Mechanism |
| > 15 % and <= 20% | 130% Cash-out Mechanism |
| <u>> 20%</u> | 140% Cash-out Mechanism |
| | |

Where the Cash-out Mechanism is equal to the greater of the Company's WACOG or the Index Price, as defined in Paragraphs 10(c) and 10(d).

 c. In the communities of Agar, Bowdle, Ft. Pierre, Gettysburg, Glenham, Ipswich, Mobridge, Onida, Pierre, Roscoe and Selby served off the South Dakota Intrastate Pipeline, the Index Price shall be as reported in the first issue of the month of Delivery of Platts, Inside FERC's Gas Market Report in the table titled "Prices of Spot Gas Delivered to Pipelines-under the heading - Northern Natural Gas Co. – Ventura, Iowa".

<u>d.</u> In all communities other than those listed in Paragraph 10(c) the Index
 <u>Price shall be as reported in the first issue of the month of Delivery of</u>
 <u>Platts, Inside FERC's Gas Market Report in the table titled "Prices of</u>
 <u>Spot Gas Delivered to Pipelines" under the heading "Colorado Interstate</u>
 <u>Gas Company – Rocky Mountains".</u>

<u>The Company's WACOG (Weighted Average Cost of Gas) includes the</u> <u>commodity cost of gas and applicable commodity related transportation</u> <u>and storage charges.</u>

- 10.11. NOMINATION VARIANCE CHARGE The customer shall pay, any payments the Company must make to its interconnecting pipeline(s), as a result of nomination variance penalties caused by customer's nomination variances. Such penalties will be allocated on the basis of each customer's contribution toward the nomination variance.
- <u>41.12.</u> METERING REQUIREMENTS Remote data acquisition equipment required by the Company for daily measurement will be purchased and installed by the

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 22.8 Canceling Vol. 1 2nd Rev. Sheet No. 22.8

TRANSPORTATION SERVICE Rates 81 and 82

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Company prior to the initiation of service hereunder. The cost of the equipment and its installation shall be paid for by the customer. Such contribution in aid, as adjusted for federal income taxes, shall be paid prior to the installation of such equipment unless otherwise agreed to by the Company. Such equipment will be maintained by the Company and will remain the sole property of the Company. Company may remove such equipment when service hereunder is terminated. The customer shall provide and maintain, at no cost to Company, a 120 volt, 15 ampere, AC power supply or other power source acceptable to the Company and acceptable telephone service at customer's meter location(s). Customer agrees to provide and maintain, at no cost to the Company, any necessary telephone enhancements to assure Company of a quality telephone signal necessary to properly transmit data. The customer shall pay all charges for continuous electric and telephone service associated with the Company's connection of the remote data acquisition equipment, and any interruption in such services must be promptly remedied or service under this tariff will be suspended until satisfactory corrections have been made.

1213. DAILY NOMINATION REQUIREMENTS:

- a. Customer or customer's shipper and/or agent shall advise Company's gas nominations center, by 11:30 a.m. Central Clock Time, of the dk requirements customer has requested to be delivered at each delivery point during the following day. Customer's daily nomination shall be its best estimate of the expected utilization for the gas day. Unless other arrangements are made, customer will be required to nominate for the non-business days involved prior to weekends and holidays.
- All nominations should include shipper and/or agent defined begin and end dates. Shippers and/or agents may nominate for periods longer than 1 day, provided the nomination begin and end dates are within the term of the service agreement.
- c. The Company has the sole right to refuse receipt of any volumes which exceed the maximum daily contract quantity and at no time shall the Company be required to accept quantities of gas for a customer in excess of the quantities of gas to be delivered to customer. If total nominated receipts exceed total deliveries at receipt points where more than one customer is receiving service, nominations will be allocated on a

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| TRANSP | Section No. 3 Original Sheet No. 22.8 Canceling Vol. 1 2 nd Rev. Sheet No. 22.8 DRTATION SERVICE Rates 81 and 82 |
|-------------------------|---|
| | Page 10 of 10 |
| | pro rata basis. At no time shall Company have the responsibility to deliver gas in excess of customer's nomination. |
| | d. In the event that more than one customer is receiving gas from the same shipper and/or agent at the same receipt point, any reduction in nominated volumes will be allocated on a pro rata basis, unless Company and shipper(s) and/or agent(s) have agreed to a predetermined allocation procedure. |
| 13<u>14</u>. | WARRANTY - The customer, customer's agent, or customer's shipper warrants that it will have title to all gas it tenders or causes to be tendered to the Company, and such gas shall be free and clear of all liens and adverse claims and the customer, customer's agent, or customer's shipper shall indemnify the Company against all damages, costs, and expenses of any nature whatsoever arising from every claim against said gas. |
| -14 <u>15</u> . | FACILITY EXTENSIONS - If facilities are required in order to furnish gas transportation service, and those facilities are in addition to the facilities required to furnish firm gas service, the customer shall pay for those additional facilities and their installation in accordance with the Company's applicable natural gas extension policy. Company may remove such facilities when service hereunder is terminated. |
| 15<u>16</u>. | PAYMENT - Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, or any amendment or alterations thereto. |
| 16<u>17</u>. | BILLING ERROR - In the event an error is discovered in any bill that the Company renders to customer, such error shall be adjusted within a period not to exceed 6 months from the date the billing error is first discovered. |
| 17<u>18</u>. | AGREEMENT - Upon request of the Company, customer may be required to enter into an agreement for service hereunder. |
| 18<u>19</u>. | RULES - The foregoing schedule is subject to Rates 100 through 134 and any amendments or alterations thereto or additional rules and regulations promulgated by the Company under the laws of the state. |
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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| LARGE | E INTERRUPTIBLE GENERAL GA | Section No. 3 2 nd Revised Sheet No. 26 Canceling 1 st Revised Sheet No. 26 AS SERVICE Rate 85 | |
|---------|---|--|--------|
| | | Page 1 of 3 | |
| Availal | In all communities served, ex Rate 76, for all interruptible g interruptible natural gas load hour, metered at a single deli exceed 40,000 dk annually. customer's interruptible load. be separately metered or spe firm load shall be billed at Fir interruption purposes, the ma in the firm service agreement | accept those communities set forth on Rate 66 or- leneral gas service customers whose will exceed an input rate of 2,500,000 Btu per ivery point and whose use of natural gas will The rates herein are applicable only to Customer's firm natural gas requirements must ecified in a firm service agreement. Customer's m General Gas Service Rate 70. For aximum daily firm requirement shall be set forth t. The Company reserves the right to refuse the state schedule based on the availability of gas | С |
| | | apply for service to U. S. Government- ed by separate special contracts. | D |
| Rate: | Basic Service Charge: Distribution Delivery Charge: | \$ 175.00 230.00 per month | I |
| | Maximum Rate Minimum Rate | \$ 0.187 0.288 per dk \$ 0.090 0.036 per dk | l R |
| (| Cost of Gas: | Determined Monthly – See Rate Summary Sheet for Current Rate | |
| Minima | um Dilli | | |

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, or any amendments or alterations thereto.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| Section | No. 3 |
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| LARGE INTERRUPTIBLE GENERAL GAS SERVICE Rate 85 | |

Page 2 of 3

I

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in Purchased Gas Cost Adjustment Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

General Terms and Conditions:

- 1. PRIORITY OF SERVICE Deliveries of gas under this schedule shall be subject at all times to the prior demands of customers served on the Company's firm general gas service rates. Customers taking service hereunder agree that the Company without prior notice shall have the right to curtail or interrupt such service whenever, in Company's sole judgment, it may be necessary to do so to protect the interest of its customers whose capacity requirements are otherwise and hereby given preference. The priority of service and allocation of capacity shall be accomplished in accordance with the provisions of Rate 100, §V.10.
 - 2. PENALTY FOR FAILURE TO CURTAIL OR INTERRUPT If customer fails to curtail or interrupt their use of gas hereunder when requested to do so by the Company any gas taken shall be billed at the Firm General Gas Service Rate 70 (distribution delivery charge and cost of gas), plus either an amount equal to any penalty payment(s) or overrun charges the Company is required to make to its interconnecting pipeline(s) under the terms of its contract(s) as a result of such failure to curtail or interrupt, or \$30.0050.00 per dk of gas used in excess of the volume of gas to which customer was requested to curtail or interrupt, whichever amount is greater. The Company, in its discretion, may shut off customer's supply of gas in the event of customer's failure to curtail or interrupt use of gas when requested to do so by the Company.
- 3. AGREEMENT Upon request of the Company, customer may be required to enter into an agreement for service hereunder. If mutually agreed to by the Company and customer, the term of service reflected in such agreement may be amended. Upon expiration of service, the customer may apply for and receive, at the sole discretion of the Company, gas service under another appropriate rate schedule for the customer's operations.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 27

EAST RIVER NATURAL GAS SYSTEM TRANSPORTATION SERVICE RATE 86

Availability: (N) This service is applicable for transportation of natural gas to customer's premise-(metered at a single delivery point), on an interruptible basis, through Company'sdistribution facilities in the following communities. Glenham Pierre Agar-Ipswich Bowdle------Roscoe Ft. Pierre ---- Mobridge-------Selby Gettysburg------Onida In order to obtain transportation service, customer must meet the general terms and conditions of service provided hereunder and enter into a gas transportationagreement upon request by the Company. Transportation service is available for all gas service customers whose interruptible natural gas service load will exceed an input rate of 2,500,000 Btu per hour, metered at a single delivery point. Customer's firm load must be separately metered or specified in a firm service agreement. Customer's firm load shall be treated and billed in accordance with the provisions of Firm General Gas Service Rate 76. For interruption purposes, the maximum daily firm requirement shall beset forth in the firm service agreement. Rate: Basic Service Charge: \$125.00 per month Under Rate 86, customer shall pay a negotiated rate not more than the maximum rate or less than the minimum rate specified below. (The per dk charge is applicable to all dk of natural gas transported under the terms of this rate.)

-Maximum Rate per dk \$2.598

Minimum Rate per dk \$0.050

Fuel Charge:

Applicable to all dk transported to customers located within the distribution system. Charge does not apply to transmission level customers. See Rate Summary Sheet for currently effective charge.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 27.1

EAST RIVER NATURAL GAS SYSTEM TRANSPORTATION SERVICE RATE 86

GENERAL TERMS AND CONDITIONS:

- (N)
- 1. CRITERIA FOR SERVICE In order to receive the service, customer mustqualify under the Company's applicable natural gas transportation service rateand comply with the general terms and conditions of the service providedherein. The customer is responsible for making all arrangements fortransporting the gas from its source to the Company's interconnection with the delivering pipeline(s).

2. REQUEST FOR GAS TRANSPORTATION SERVICE: To qualify for gas transportation service a customer must request the service pursuant to the provisions set forth herein. The service shall be provided only to the extent that the Company's existing operating capacity permits.

3. MULTIPLE SERVICES THROUGH ONE METER:

a. In the event customer desires firm sales service in addition to gastransportation service, customer shall request such firm volumerequirements, and upon approval by Company, such firm volumerequirements shall be set forth in a firm service agreement. For billingpurposes, the level of volumes so specified or the actual volume used,whichever is lower, shall be billed at Rate 76. Volumes delivered in excess of such firm volumes shall be billed at the applicable gastransportation rate. Customer has the option to install, at their expense, piping necessary for separate measurement of sales and transportation volumes.

- b. The customer shall pay, in addition to charges specified in the applicable gas transportation rate schedule, charges under all other applicable rate schedules for any service in addition to that provided herein (irrespective of whether the customer receives only gas-transportation service in any billing period).
- PRIORITY OF SERVICE Company shall have the right to curtail or interrupt deliveries beyond that of any agreed upon firm service without being required to give previous notice of intention to curtail or interrupt, whenever, in its judgment, it may be necessary to do so to protect the interest of its customers whose capacity requirements are otherwise and hereby given preference. The priority of service and allocation of capacity shall be accomplished in accordance with the provisions of Rate 100, §V.10.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 27.3

EAST RIVER NATURAL GAS SYSTEM TRANSPORTATION SERVICE RATE 86

| | PENALTY FOR FAILURE TO C curtail or interrupt their use of ga Company, any gas taken above billed at the Firm General Gas S cost of gas), plus either an amou charges the Company is require under the terms of its contract(s) or \$50.00 per dk of gas used in or was requested to curtail or interr Company, in its discretion, may customer's failure to curtail or int the Company. The Company m equipment, at the customer's ex may use at the time of curtailme | that received on the cu ervice Rate 76 (distribu- ant equal to any penalty d to make to its interco as a result of such fail excess of the volume o cupt, whichever amount shut off customer's sup terrupt use of gas wher ay install automatic shu | uested to do so by the istomer's behalf, shall be ution delivery charge and y payments or overrun- nnecting pipeline(s)- lure to curtail or interrupt, f gas to which customer- t is greater. The- oply of gas in the event of n requested to do so by- ut-off or curtailment- | (N) |
|-----------------|--|--|--|-----|
| 6 .— | NON-DELIVERED VOLUMES/ a. In the event customer uses Company's interconnection customer shall pay an amou charges the Company is red under the terms of its contra In the event that more than shipper and/or agent at the penalties the Company is red basis among such custome excess of available volumes | more gas than is being with the delivering pipe unt equal to any penalt quired to make to its inf act(s) resulting from su- one customer is obtain same receipt point, an equired to make shall b rs on the basis of each | eline(s) (receipt point), y payments or overrun- erconnecting pipeline(s)- ch action by customer. ning gas from the same- y payment or overrun- e allocated on a pro rata- | |
| | b. In the event the customer's for any reason and the cust be subject to any applicable 6.a. Gas volumes supplied Service Rate 76 (distribution Company is under no obligat volumes | omer continues to take penalties or charges (by Company will be bi n delivery charge and c | gas, the customer shall set forth in Paragraph- lled at Firm General- cost of gas). The- | |
| | c. In the event customer's tran reason, Company may provide The availability of firm sales set of the Company. | firm sales service if su | ch service is available. | (N) |
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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 27.3

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EAST RIVER NATURAL GAS SYSTEM TRANSPORTATION SERVICE RATE 86

- 7. ELECTION OF SERVICE Prior to the initiation of service hereunder, the customer shall make an election of its requirements under each applicable rate-schedule for the entire term of service. If mutually agreed to by the Company-and customer, the term of service may be amended. Upon expiration of-service, the customer may apply for and receive, at the sole discretion of the Company, gas service under the appropriate sales rate schedule for the customer's operations.
- 8. RECONNECTION FEE Transportation customers who cease service and then resume service within the succeeding 12 months shall be subject to a reconnection charge as specified in Rate 100, §V.18.
- 9. DAILY IMBALANCE To the extent practicable, customer and Company agree to the daily balancing of volumes of gas received and delivered on a thermalbasis. Such balancing is subject to the customer's request and the Company's discretion to vary scheduled receipts and deliveries within existing Company operating limitations.-

In the event that the deviation between scheduled daily volumes and actual daily volumes of gas used by customer causes the Company to incur any additional costs from interconnecting pipelines(s), customer shall be solely responsible for all such penalties, fines, fees or costs incurred. If more than one customer has caused the Company to incur these additional costs, all costs will be prorated to each customer based on the customer's over- or under-take as a percentage of the total.

- 10. MONTHLY IMBALANCE -- The customer's monthly imbalance is the difference between the amount of gas received by Company on customer's behalf and actual gas deliveries to customer. Monthly imbalances will not be carried forward to the next calendar month.
 - a. Undertake Purchase Payment If the monthly imbalance is due to more gas delivered on customer's behalf than the actual volumes used, Company shall pay customer an Undertake Purchase Payment in accordance with the following schedule:

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 27.4

EAST RIVER NATURAL GAS SYSTEM TRANSPORTATION SERVICE RATE 86

| | % Monthly | |
|---------------|-------------------------------------|--|
| | Imbalance | Undertake Purchase Rate |
| | | 100% Cash-out Mechanism |
| | > 5 % and <= 10% | 90% Cash-out Mechanism |
| | > 10 % and <= 15% | 80% Cash-out Mechanism |
| | > 15 % and <= 20% | 70% Cash-out Mechanism |
| | > 20% | 60% Cash-out Mechanism |
| | 2070 | |
| | | hanism is equal to the lesser of the Company's |
| | WACOG or the Index Price | ce, as defined in Paragraph 10(c). |
| b. | used by the customer tha | monthly imbalance is due to more gas actually n volumes delivered on their behalf, Customer- vertake Charge in accordance with the following |
| | <mark>% Monthly</mark> Imbalance | Overtake Purchase Rate |
| | 0% - 5% | 100% Cash-out Mechanism |
| | > 5 % and <= 10% | 110% Cash-out Mechanism |
| | > 10 % and <= 15% | 120% Cash-out Mechanism |
| | > 15 % and <= 20% | 130% Cash-out Mechanism |
| | > 20% | 140% Cash-out Mechanism |
| | | hanism is equal to the greater of the Company's se, as defined in Paragraph 10(c). |
| 6. | | as reported in the first issue of the month of |
| | | FERC's Gas Market Report in the table titled |
| | | ered to Pipelines-under the heading - Northern |
| | | a, Iowa". The Company's WACOG (Weighted- ludes the commodity cost of gas and applicable |
| | nverage cust or oas) Inc | |
| | commodity related transp | ortation and storage charges. |

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 27.7

EAST RIVER NATURAL GAS SYSTEM TRANSPORTATION SERVICE RATE 86

- 11. NOMINATION VARIANCE CHARGE The customer shall pay, any payments (N) the Company must make to its interconnecting pipeline(s), as a result of nomination variance penalties caused by customer's nomination variances. Such penalties will be allocated on the basis of each customer's contribution toward the nomination variance.
- 12. METERING REQUIREMENTS Remote data acquisition equipment requiredby the Company for daily measurement will be purchased and installed by the Company prior to the initiation of service hereunder. The cost of the equipment and its installation shall be paid for by the customer. Such contribution in aid, as adjusted for federal income taxes, shall be paid prior tothe installation of such equipment unless otherwise agreed to by the Company. Such equipment will be maintained by the Company and will remain the sole property of the Company. Company may remove such equipment when service hereunder is terminated. The customer shall provide and maintain, atno cost to Company, a 120 volt, 15 ampere, AC power supply or other powersource acceptable to the Company and acceptable telephone service at customer's meter location(s). Customer agrees to provide and maintain, at nocost to the Company, any necessary telephone enhancements to assure Company of a quality telephone signal necessary to properly transmit data. The customer shall pay all charges for continuous electric and telephoneservice associated with the Company's connection of the remote dataacquisition equipment, and any interruption in such services must be promptlyremedied or service under this tariff will be suspended until satisfactorycorrections have been made.
 - 13. DAILY NOMINATION REQUIREMENTS:
 - a. Customer or customer's shipper and/or agent shall advise Company's gas nominations center, by 11:30 a.m. Central Clock Time, of the dk-requirements customer has requested to be delivered at each delivery point during the following day. Customer's daily nomination shall be its-best estimate of the expected utilization for the gas day. Unless other arrangements are made, customer will be required to nominate for the non-business days involved prior to weekends and holidays.
 - b. All nominations should include shipper and/or agent defined begin and end dates. Shippers and/or agents may nominate for periods longer than 1 day, provided the nomination begin and end dates are within the term of the service agreement.

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 27.7 EAST RIVER NATURAL GAS SYSTEM **TRANSPORTATION SERVICE RATE 86** c. The Company has the sole right to refuse receipt of any volumes-(N) which exceed the maximum daily contract quantity and at no time shall the Company be required to accept quantities of gas for a customer inexcess of the quantities of gas to be delivered to customer. If total nominated receipts exceed total deliveries at receipt points where more than one customer is receiving service, nominations will be allocated on a pro rata basis. At no time shall Company have the responsibility to deliver gas in excess of customer's nomination. d. In the event that more than one customer is receiving gas from the sameshipper and/or agent at the same receipt point, any reduction innominated volumes will be allocated on a pro rata basis, unless Company and shipper(s) and/or agent(s) have agreed to a predetermined allocation procedure. 14. WARRANTY - The customer, customer's agent, or customer's shipper warrants that it will have title to all gas it tenders or causes to be tendered to the Company, and such gas shall be free and clear of allliens and adverse claims and the customer, customer's agent, or customer's shipper shall indemnify the Company against all damages, costs, and expenses of any nature whatsoever arising from every claimagainst said gas. 15. FACILITY EXTENSIONS - If facilities are required in order to furnish gas transportation service, and those facilities are in addition tothe facilities required to furnish firm gas service, the customer shall payfor those additional facilities and their installation in accordance with the Company's applicable natural gas extension policy. Company may remove such facilities when service hereunder is terminated. 16. PAYMENT - Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.11, orany amendment or alterations thereto. 17. BILLING ERROR - In the event an error is discovered in any bill that the Company renders to customer, such error shall be adjusted within a-(N)

Issued By: Tamie A. Aberle Director - Regulatory Affairs

October 18, 2012

Effective Date:

Date Filed:



A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 27.7

(N)

EAST RIVER NATURAL GAS SYSTEM TRANSPORTATION SERVICE RATE 86

period not to exceed 6 months from the date the billing error is firstdiscovered.

19. RULES - The foregoing schedule is subject to Rates 100 through 134 and any amendments or alterations thereto or additional rules and regulations promulgated by the Company under the laws of the state.

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October 18, 2012

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Service Rendered on and after December 18, 2012



A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 2nd Revised Sheet No. 28 Canceling 1st Revised Sheet No. 28

DISTRIBUTION DELIVERY STABILIZATION MECHANISM – Rate 87

Page 1 of 2

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APPLICABILITY:

This rate schedule represents a Distribution Delivery Stabilization Mechanism (DDSM) and specifies the procedure to be utilized to correct for the over/under collection of distribution delivery charge revenues due to weather fluctuations during the period from October 1 through April 30. Service provided under the Company's Residential Rates 60 and 66 and Firm General Service Rates 70 and 76 shall be subject to decreases or increases under the DDSM.

DISTRIBUTION DELIVERY STABILIZATION MECHANISM:

A DDSM will be determined for each customer taking service under Residential Service Rates 60 and 66 and Firm General Service Rates 70 and 76 beginning with the first billing cycle starting November 1 through the billing cycle ending May 1. The DDSM adjustment will be applied as a surcharge or credit on all rate schedules to which the DDSM is applicable.

DDSM ADJUSTMENT CALCULATION:

The DDSM Adjustment shall be determined for each customer taking service under Residential Rates 60 and 66 or Firm General Service Rates 70 and 76. In order to calculate the respective DDSM adjustment, the ratio of the normal HDDs as compared to the actual HDDs will be determined and multiplied by the temperature sensitive consumption per customer per HDD, as determined in the most recent general rate case. The resulting product shall be multiplied by the applicable Distribution Delivery Charge rate per dk.

 $DDSM_i = R_i (DDF_i ((NDD-ADD)/ADD))$

Where:

| DDSM _i | Distribution Delivery Stabilization Adjustment | |
|-------------------|--|---|
| i | = Customer served under Rate Schedule 60, 66, or 70 or 76 | Т |
| R _i | Applicable Distribution Delivery Charge per dk | |
| DDF _i | Temperature sensitive use per customer | |
| NDD | = Normal degree days for the applicable bill cycle | |
| ADD | = Actual heating degree days for the applicable bill cycle | |

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

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| 1 st Revised | Sheet No. 28.1 |
| Canceling Original | Sheet No. 28.1 |

DISTRIBUTION DELIVERY STABILIZATION MECHANISM – Rate 87

Page 2 of 2

DEFINITIONS:

| Heating Degree Days | - | The difference between the average of the daily high and low temperatures as reported by the National Weather Service station subtracted from 605 degrees Fahrenheit. | С |
|---|---|---|---|
| Normal Degree Days | - | The heating degree days based on the 30-year average for the period 1970-2000 actual degree days. | Т |
| Temperature Sensitive Use per Customer | - | Customer's actual use less the base use per customer per day, denoted below, multiplied by days in the billing period. <u>Black Hills</u> Residential (Rate Code 600 and 601) = 0.06300.04246 Dk/Degree Day Firm General | т |
| | | (Rate Code 700) = 0.09290.03038 Dk/Degree Day Firm General (Rate Code 701) = 1.27281.24998 Dk/Degree Day East River | Т |
| | | Residential (Rate Code 660 and 661) = 0.0251 Dk/Degree Day Firm General (Rate Code 760) = 0.0615 Dk/Degree Day Firm General (Rate Code 761) = 1.7964 Dk/Degree Day | Т |
| Actual Degree Days | - | The actual degree days reported by the National Weather Service Stations for applicable service areas in South Dakota. | |

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 3rd Revised Sheet No. 29 Canceling 2nd Revised Sheet No. 29

PURCHASED GAS COST ADJUSTMENT Rate 88

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1. Applicability:

This rate schedule constitutes a purchased gas cost adjustment (PGA) provision and specifies the procedure to be utilized to adjust the rates for gas sold under Montana-Dakota's rate schedules, with the exception of Rate 66 and Rate 76, in order to reflect: (a) changes in Montana-Dakota's average cost of gas supply and (b) amortization of the Unrecovered Purchased Gas Cost Account.

2. Effective Date and Limitation on Adjustments:

- (a) The effective dates of the PGA shall be service rendered on and after the first day of each month, unless the Commission shall otherwise order.
- (b) Montana-Dakota shall file a PGA to reflect changes in its average cost of gas supply only when the amount of change in such PGA is at least 10 (ten) cents per dk compared to the currently effective adjustment. The adjustment to be effective October 1 shall be filed each year, regardless of the amount of the change.

3. Purchased Gas Cost Adjustment:

- (a) The monthly PGA shall reflect changes in Montana-Dakota's cost of gas supply as compared to the cost of gas supply approved in its most recent PGA. The cost of gas supply shall be the sum of all costs incurred in obtaining gas for general system supply. General system supply is defined as gas available for use by all customers served under retail sales rate schedules excluding Rate
 <u>66 and Rate 76</u>. The cost of gas supply shall include, but not be limited to, all demand, commodity, storage, gathering, and transportation charges incurred by Montana-Dakota for such gas supply, the overall rate of return on prepaid demand and commodity charges and gas storage balances required to maintain the system gas supply and hedging program gains, losses and transaction costs related to system gas supply.
- (b) The PGA shall be computed as follows:
 - (1) Demand costs shall include all annual gathering, transportation and storage demand charges at current rates.

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 Original Sheet No. 29.1 Canceling Vol. 1 1st Rev. Sheet No. 29.1

PURCHASED GAS COST ADJUSTMENT Rate 88

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- (2) Commodity costs shall include all annual gathering, transportation and storage charges at current rates.
- (3) The gas commodity cost shall reflect all commodity related gas costs estimated to be in effect for the month the PGA will be in effect and annual dk requirements.
- (4) The return on prepaid demand and commodity balances and storage balances shall be computed on an annual basis at the overall rate of return on rate base.

The cost per dk for the month is the sum of the above divided by annual, weather normalized dk deliveries for the most recent twelve month period adjusted to reflect losses.

- (c) Monthly gas costs shall be calculated as follows:
 - Demand costs shall be apportioned to all state jurisdictions served by Montana-Dakota on the basis of the overall ratio of each state's Maximum Daily Delivery Quantity (MDDQ).
 - (2) Demand costs for large interruptible sales customers shall be stated on a C 100% load factor basis.
 - (3) All commodity costs and other costs associated with the acquisition of gas for general system supply shall be apportioned to each state on the basis of total dks sold in each state, regardless of the actual points of delivery of such gas.
 - (4) The return requirement related to prepaid demand and commodity charges and gas storage balances shall be included on a per dk basis. The prepaid demand and storage balances shall be apportioned to all states on the basis of each state's MDDQ. The prepaid commodity charges shall be apportioned to all states on the basis of annual dks sold in each state. The unit cost shall be calculated using a thirteen month average balance and the currently authorized return on rate base.

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 2nd Revised Sheet No. 29.2 Canceling 1st Revised Sheet No. 29.2

PURCHASED GAS COST ADJUSTMENT Rate 88

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- (5) All costs related to specific end-use transactions shall not be included in the cost of gas supply determination but shall be directly billed to the customer(s) contracting for such service.
- (d) The PGA shall be applied to each of Montana-Dakota's rate schedules excluding Rate 66 and Rate 76, recognizing differences among customer classes consistent with the cost of gas supply included in the applicable class sales rate.

4. Surcharge Adjustment:

All sales rate schedules shall be subject to a Surcharge Adjustment to be effective on October 1 of each year. The Surcharge Adjustment per dk sold shall reflect amortization of the applicable balance in the Unrecovered Purchased Gas Cost Account calculated by dividing the applicable balance by the estimated dk sales for the twelve months following the effective date of the adjustment.

5. Unrecovered Purchase Gas Account:

- (a) Items to be included in the Unrecovered Purchased Gas Cost Account, as calculated in accordance with Subsection 5(b) are:
 - (1) Charges for gas supply which Montana-Dakota is unable to reflect in a Purchased Gas Cost Adjustment by reason of the ten cent minimum limitation set forth in Subsection 2(b).
 - (2) Amounts of increased/decreased charges for gas supplies which were paid during any period after the effective date of the most recent general rate case, but not yet included in sales rates.
 - (3) Refunds received from supplier(s) with respect to gas supply. Such refunds received shall be credited to the Unrecovered Purchased Gas Cost Account.
 - (4) Carrying charges or credits as determined in Section 5(b)(2).
 - (5) Demand costs recovered from the large-interruptible sales customers will T be credited to the residential and, firm general service and small.
 T T interruptible customers.

Date Filed:

Effective Date:



A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 1st Revised Sheet No. 29.4 Canceling Original Sheet No. 29.4

PURCHASED GAS COST ADJUSTMENT Rate 88

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- (2) Montana-Dakota will calculate carrying charges on the amounts in the Unrecovered Purchased Gas Cost Account, Account 191, at the rate of interest for a three-month Treasury Bill as published monthly by the Federal Reserve Board for the preceding month. The amount to be included in Account 191 for carrying charges shall be determined as follows: each month, Account 191 shall be debited (if the balance in said account is a debit balance) and shall be credited (if the balance in said account is a credit balance) for a carrying charge, which shall be the product of (i) and (ii) below:
 - The balance in Account 191 as of the end of the immediately preceding month, exclusive of carrying charges accrued pursuant to this Subsection (b)(2) and net of the related deferred tax amounts in Accounts 283 or 190, as appropriate.
 - (ii) One-twelfth of the annual interest rate as set forth in this Subsection (b)(2). The carrying charges shall be accrued in a supplementary Unrecovered Purchased Gas Cost Account for each rate schedule, and carrying charges shall not be computed on the amounts in such supplementary account.
- (c) Reduction of Amounts in the Unrecovered Purchased Gas Cost Account:
 - (1) The amounts in the Unrecovered Purchased Gas Cost Account shall be decreased each month by an amount determined by multiplying the currently effective surcharge adjustment included in rates for that month (as calculated in Section 4) by the dks sold during that month under each rate schedule excluding Rate 66 and Rate 76. The account shall be increased in the event the adjustment is a negative amount.
 - (2) The amount amortized each month shall be applied pro rata between the amounts in the Unrecovered Purchased Gas Cost Account specified in Subsections 5(a)(1), (2), (3) and (5) and the amounts in the supplementary Unrecovered Purchased Gas Cost Account specified in Subsection 5(a)(4).

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

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| PURCHASED GAS COST ADJUSTMENT Rate | 88 |
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| 6. Margin Sharing Mechanism: | |
| At the time of each surcharge adjustme | ent, pursuant to Paragraph 4, the |
| Company will compute a credit to Rates | |
| | served under interruptible service rates. |
| The adjustment will be determined as for | ollows: |
| (a) (1) The margin credit balance e | stablished in Docket No. NG12 |
| (2) The monthly difference betw | een the actual margin received, |
| | d the actual margin redits reflected in |
| | r unit established at the time of each |
| surcharge adjustment. | |
| (b) The unit adjustment shall be deterr | mined by dividing the balance resulting in |
| | 60, 70 and 72 volumes estimated to be |
| | ns following the effective date of each |
| adjustment. | |
| | |
| 6 <u>7</u> . Time and Manner of Filing: | a made by means of revised RCA |
| (a) Each filing by Montana-Dakota shall b sheets identifying the amounts of the | adjustments and the resulting currently |
| effective PGA rates. | adjustments and the resulting sufferitiy |

(b) Each filing shall be accompanied by detailed computations which clearly show the derivation of the relevant amounts.

| Date Filed: | | Effective Date: | |
|-------------|--|-----------------|--|
| Issued By: | Tamie A. Aberle Director - Regulatory Affairs | | |
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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 3rd Revised Sheet No. 30 Canceling 2nd Revised Sheet No. 30

EAST RIVER NATURAL GAS SYSTEM PURCHASED GAS COST ADJUSTMENT Rate 89

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1. Applicability:

This rate schedule constitutes a purchased gas cost adjustment (PGA) provision and specifies the procedure to be utilized to adjust the rates for gas sold under-Residential Natural Gas Service Rate 66 (Rate 66) and Firm General Natural Gas Service Rate 76 (Rate 76) in order to reflect: (a) changes in-Montana-Dakota's average cost of gas supply and (b) amortization of the-Unrecovered Purchased Gas Cost Account.

2. Effective Date and Limitation on Adjustments:

- (a) The effective dates of the PGA shall be service rendered on and after the C ——— first day of each month, unless the Commission shall otherwise order.
- (b) Montana-Dakota shall file a PGA to reflect changes in its average cost of gas supply only when the amount of such change in PGA is at least 10 (ten) cents per dk compared to the currently effective adjustment. The adjustment to be effective October 1 shall be filed each year, regardless of the amount of the change.

3. Purchased Gas Cost Adjustment:

(a) The monthly PGA shall reflect changes in Montana-Dakota's cost of gassupply for the East River System as compared to the cost of gas supplyapproved in its most recent PGA. The cost of gas supply shall be the sum of all costs incurred in obtaining gas for delivery at interconnections with South Dakota Intrastate Pipeline (SDIP). The East River System supply is defined as gas available for use by all customers served under Rate 66and Rate 76. The cost of gas supply shall include, but not be limited to, all demand, commodity, storage, gathering, and transportation chargesincurred by Montana-Dakota for such gas supply, the overall rate of return on prepaid demand and commodity charges and gas storage balancesrequired to maintain the East River System gas supply and hedgingprogram gains, losses and transaction costs related to the East River-System gas supply.

Reserved for future use

Date Filed:

Effective Date:

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3 1st Revised Sheet No. 30.1 Canceling Original Sheet No. 30.1 EAST RIVER NATURAL GAS SYSTEM PURCHASED GAS COST ADJUSTMENT Rate 89 Page 2 of 6 (b) The PGA shall be computed as follows: (1) Demand Costs, if applicable, shall include all annual gathering, transportation and storage demand charges at current rates. (2) Commodity costs shall include all annual gathering, transportation and storage charges at current rates. (3) The gas commodity cost shall reflect all commodity related gas costs estimated to be in effect for the month the PGA will be ineffect and annual dk requirements.-(4) The return on prepaid demand and commodity balances and storage balances, if applicable, shall be computed on an annualbasis at the overall rate of return on rate base. The cost per dk for the month is the sum of the above divided by annual. weather normalized dk deliveries for the most recent twelve-month periodadjusted to reflect losses. (c) Monthly gas costs shall be calculated as follows: (1) Demand costs if applicable, shall be apportioned to all state jurisdictions served by Montana-Dakota on the basis of the overallration of each state's Maximum Daily Delivery Quantity (MDDQ).----(2) Demand costs for interruptible and specified contract service customers shall be stated on a 100% load factor basis. (3) All commodity costs and other costs associated with the acquisition of gas for the East River System Supply. (4) The return requirement related to prepaid demand and commodity charges and gas storage balances, if applicable, shall be included on a per dk basis. The prepaid demand and storage balances shall be apportioned to all states on the basis of each state's MDDQ. Reserved for future use

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State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

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| on the basis of annual dk's sol | es shall be apportioned to all states D Id in each state. The unit cost shall month average balance and the |
| currently authorized return on | • |
| (5) All costs related to specific end included in the cost of gas sup | d-use transactions shall not be oply determination but shall be directly |
| billed to the customer(s) contra | |
| (d) The PGA shall be applied to Rate 66 | and Rate 76, if applicable, |
| • • • | omer classes consistent with the cost |
| of gas supply included in the applical | ble class sales rate. |
| 4. Surcharge Adjustment: | |
| Rate 66 and Rate 76 shall be subject | t to a Surcharge Adjustment to be |
| | The Surcharge Adjustment per dk C |
| sold shall reflect amortization of the a | |
| Unrecovered Purchased Gas Cost A | · • |
| | Rate 66 and Rate 76 dk sales for the |
| twelve months following the effective | ale of the adjustment. |
| 5. Unrecovered Purchased Gas Cost Account: | |
| (a) Items to be included in the Unrecove | red Purchased Gas Cost Account, as |
| calculated in accordance with Subse | ction 5(b) are: |
| (1) Charges for gas supply which | Montana-Dakota is unable to reflect |
| | stment by reason of the ten cent |
| minimum limitation set forth in | Subsection 2(b). |
| (2) Amounts of increased/decreas | ed charges for gas supplies which |
| were paid during any period af | fter the effective date of the most- |
| | not yet included in the East River |
| System sales rates. | D |
| Reserved for future | e use |
| | |

Date Filed:

Effective Date:



A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

| | Section No. 3 1 st Revised Sheet No. 30.3 Canceling Original Sheet No. 30.3 SCOST ADJUSTMENT Rate 89 |
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| (3) | Refunds received from supplier(s) with respect to gas supply. Such refunds received shall be credited to the Unrecovered Purchased- Gas Cost Account. |
| (4) | Carrying charges or credits as determined in Section 5(b)(2). |
| (b) (1) | The amount to be included in the Unrecovered Purchased Gas- Cost Account in order to reflect the items specified in Subsections 5(a)(1), (2), and (3) shall be calculated as follows: |
| | (i) Montana-Dakota shall first determine each month the unit- cost for that month's natural gas supply as adjusted to- levelize demand charges, if applicable. Such adjustment to- levelize supplier(s) demand charges shall be calculated as- follows: |
| | The suppliers' annual (calendar or fiscal) demand charges, which are payable in equal monthly payments, shall be accumulated in a prepaid account (FERC Account 165) Each month a portion of such accumulated prepaid amount- shall be amortized to cost of natural gas purchased (FERC- Account 804) |
| | Such monthly amortization shall be based on a rate- calculated by dividing the annual supplier(s) demand- charges by projected annual natural gas sales units- (calendar or fiscal, as appropriate). The resulting product- shall then be multiplied by the projected natural gas unit- sales for the current month. Such amount shall constitute- the monthly amortization of prepaid supplier(s) demand- charges to cost of natural gas supply. |
| | Montana-Dakota shall then subtract from each month's unit- cost the unit cost for gas supply which is reflected in the currently- effective PGA. <u>Reserved for future use</u> |

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

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| | (ii) | The resulting difference (which may be positive or negative) shall be multiplied by the dks sold during that month under Rate 66 and Rate 76. The resulting amounts shall be reflected in an Unrecovered Purchased Gas Cost Account- for each rate schedule. |
| | the rate by t amo det (if th crea | ntana-Dakota will calculate carrying charges on the amounts in Unrecovered Purchased Gas Cost Account, Account 191, at the of interest for a three-month Treasury Bill as published monthly he Federal Reserve Board for the preceding month. The punt to be included in Account 191 for carrying charges shall be ermined as follows: each month, Account 191 shall be debited he balance in said account is a debit balance) and shall be dited (if the balance in said account is a credit balance) for a- rying charge, which shall be the product of (i) and (ii) below: |
| | (i)- | The balance in Account 191 as of the end of the immediately preceding month, exclusive of carrying charges accrued pursuant to this Subsection (b)(2) and net of the related deferred tax amounts in Accounts 283 or 190, as appropriate. |
| | - (ii) | One-twelfth of the annual interest rate as set forth in this- Subsection (b)(2). The carrying charges shall be accrued in a supplementary Unrecovered Purchased Gas Cost- Account for each rate schedule, and carrying charges shall- not be computed on the amounts in such supplementary- account. |
| (C) | Reduction | n of Amounts in the Unrecovered Purchased Gas Cost Account: |
| | sha mul | amounts in the Unrecovered Purchased Gas Cost Account Il be decreased each month by an amount determined by tiplying the currently effective surcharge adjustment included in s for that month (as calculated in Section 4) by the dks sold Reserved for future use |

Date Filed:

Effective Date:



A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

State of South Dakota Gas Rate Schedule – SDPUC Volume No. 2

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| during that month under Rate 66 increased in the event the adjust | and Rate 76. The account shall be T ment is a negative amount. |
| | |
| 6. Time and Manner of Filing: | |
| (a) Each filing by Montana-Dakota shall b | e made by means of revised PGA |
| sheets identifying the amounts of the a currently effective PGA rates. | adjustments and the resulting- |
| (b) Each filing shall be accompanied by description of the relevant am | |
| Reserved for future u | se |
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8th Revised Sheet No. 1

LIST OF GAS CONTRACTS WITH DEVIATIONS

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|----------------------------------|-------------------------------|---|-----------------|-------------------------|
| Name and Location of customer | Type or Class of Service | and Expiration Dates | Schedule No. | Contract Differences |
| Morris, Inc. | Firm Commercial | 05-10-01 To 11-16-11 | Rate 76 | Rate |

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Issued By: Tamie A. Aberle Director - Regulatory Affairs Effective Date:



Docket No.:

NG04-004

A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

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Montana-Dakota reserves the right to provide service to customers with lower priority while service to higher priority customers is being curtailed due to restrictions at a given delivery or receipt point. When such restrictions are eliminated, Montana-Dakota will reinstate sales and/or transportation of gas according to each customer's original priority.

11. LATE PAYMENT – Amounts billed will be considered past due if not paid by the due date shown on the bill. An amount equal to 1% per month will be applied to any unpaid balance existing at the immediate subsequent billing date, provided however, that such amount shall not apply where a bill is in dispute or a formal complaint is being processed.

All payments received will apply to the customer's account prior to calculating the late payment charge. Those payments applied shall satisfy the oldest portion of the bill first.

- 12. RETURNED CHECK CHARGE A charge of \$20.0040.00 will be collected by the Company for each check charged back to the Company by a bank.
- 13. TAX CLAUSE In addition to the charges provided for in the gas tariffs of the Company, there shall be charged pro rata amounts which, on an annual basis, shall be sufficient to yield to the Company the full amount of any usage fees or any sales, use, franchise or excise taxes, whether they be denominated as license taxes, occupation taxes, business taxes, privilege taxes, or otherwise, levied against or imposed upon the Company by any municipality, political subdivision, or other entity, for the privilege of conducting its utility operations therein.

The charges to be added to the customers' service bills under this clause shall be limited to the customers within the corporate limits of the municipality, political subdivision or other entity imposing the tax.

14. UTILITY CUSTOMER SERVICES:

- a. The following services will be performed at no charge regardless of the time of performance:
 - 1. Fire and explosion calls.

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- 2. Investigate hazardous conditions on customer premises, such as gas leaks, odor complaints, combustible fumes.
- 3. Maintenance or repair of Company-owned facilities on the customer's premises.
- b. The following service calls will be performed at no charge during the Company's normal business hours:
 - 1. Cut-ins and cut-outs.
 - 2. Lighting pilots, inspecting, and adjusting gas equipment in connection with establishing service when working cut-in orders.
 - 3. Investigating high bills or inadequate service complaints.
 - 4. Location of underground Company facilities and customer-owned gas service lines for contractors, builders, plumbers, etc.
- 15. UTILITY SERVICES PERFORMED AFTER NORMAL BUSINESS HOURS For service requested by customers after the Company's normal business hours, a charge will be made for labor at standard overtime service rates and materials at retail prices. Customers requesting service after the Company's normal business hours will be informed of the after hour service rate and encouraged to have the service performed during normal business hours.
- 16. NOTICE TO DISCONTINUE GAS SERVICE Customers desiring to have their gas service discontinued shall notify the Company during regular business hours, one business day before service is to be discontinued. Such notice shall be by letter, personal visit or telephone call to the Company's localbusiness office, in communities in which an office is maintained. In othercommunities such notice shall be given to the Company's representative whoservices the community or to the nearest business office. Customer Service <u>Center</u> Saturdays, Sundays and legal holidays are not considered business days.

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

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| 17. | INSTALLING TEMPORARY METERING FACILITIES OR SERVICE – A customer requesting a temporary meter installation and service will be charged on the basis of direct costs incurred by the Company. |
| 18. | RECONNECTION FEE FOR SEASONAL OR TEMPORARY CUSTOMERS – A customer who requests reconnection of service, during normal business hours at a location where same customer discontinued the same service during the preceding 12-month period will be charged as follows: |
| | Residential - The Basic Service Charge applicable during the period service was not being used or a minimum of \$30.00. The minimum will be based on standard overtime rates for reconnecting service after normal business hours. |
| | Non-Residential - The Basic Service Charge applicable during the period while service was not being used. However the reconnection charge applicable to seasonal non- space heating business entities such as irrigation, swimming facilities, grain drying and asphalt processing shall be the Basic Service Charge applicable during the period while service was not being used less the Distribution Delivery Charge revenue collected during the period in-service for usage above the annual authorized usage by rate class (Firm General < 500 cubic- feet/hourSmall Firm General = 144-129 dk; Large Firm General > 500 cubic- feet/hour= 1,185-291dk; and Small Interruptible = $3,2706,137$ dk). A minimum of \$30.00 will apply to all reconnections occurring during normal business hours. The minimum will be based on standard overtime rates for reconnection of service occurring after normal business hours. |
| | Transportation customers who cease service and then resume service within the succeeding 12 months shall be subject to a reconnection charge of \$160.00 whenever reinstallation of the remote data acquisition equipment is necessary. |
| 19. | DISCONTINUANCE OF SERVICE FOR NONPAYMENT OF BILLS – All amounts billed for services are due when rendered and will be considered delinquent if not paid by the due date shown on the bill. If any customer shall become delinquent in the payment of amounts billed, such service may be discontinued by the Company under the applicable rules of the Commission. |
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The deposit shall be refunded only if the meter is found to have an unacceptable error, as defined in the Commission's regulations. In the case where a meter is replaced due to malfunction, a customer will be allowed one additional free meter test within 12 months, if requested by the customer.

23. A bill discount may be available for residential use only in a single family unit served by Montana-Dakota Utilities Co. to qualifying employees and retirees of MDU Resources and its subsidiaries. The bill shall be computed at the applicable rate, and the amount reduced by 33 1/3%.

2324. SEE ALSO THE FOLLOWING RATES FOR SPECIAL PROVISIONS:

| Rate 102 - | Residential Rate for Regular Employees |
|------------|--|
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| Rate 119 | - | Interruptible | Gas | Service | Extensio | n Policy |
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| Trate 115 | - | menupuble | Gas | DEIVICE | LYICHINO | n i Olicy |

- Rate 120 Firm Gas Service Extension Policy
- Rate 124 New Installation, Replacement, Relocation and Repair of Gas Service Lines
- Rate 134 Rules and Policies for Implementing Master Metering Restrictions

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A Division of MDU Resources Group, Inc. 400 N 4th Street Bismarck, ND 58501

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| RESIDENTIAL GAS SERVICE FOR REGULAR EMPL | OYEES | - | |
| Rate 102 | | | |

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The rate for residential gas service for regular employees of Montana-Dakota Utilities Co., MDU Resources Group, Inc., and all wholly-owned subsidiaries of MDU Resources. Group, Inc., shall be computed at the applicable rate, and the amount reduced by 33-1/3%. This is available only for residential use, in a single family unit, served by the Company to a regular employee who has been continuously employed at least six months and is the principal support of the household in which employee resides, or is the spouseof the principal support.

Reserved for future use

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INTERRUPTIBLE GAS SERVICE EXTENSION POLICY Rate 119

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The policy of Montana-Dakota Utilities Co. for gas extensions necessary to provide interruptible sales or interruptible transportation service to customers, except for customers served on Rate 66 and Rate 76, is as follows:

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- 1. Contribution
 - a. Prior to construction, the customer shall contribute an amount equal to the total cost of construction including all gas main extensions, valves, tap setting and associated equipment, barricade, service line(s), regulators, meters (excluding remote data acquisition equipment), any required payments made by the Company to the transmission pipeline to accommodate the extensions, and other costs as adjusted for federal and state income taxes.
 - b. The contribution shall be made by:
 - i. A one-time payment prior to construction or,
 - ii. The customer may post a bond, irrevocable letter of credit, or a written guarantee commitment in the amount of the total contribution required prior to construction. Such bond, issued by a bonding company authorized to do business in the state, letter of credit, or written guarantee commitment, shall be effective for a five-year period commencing at the plant in service date, and is subject to approval and acceptance by the Company. If at the end of the original five-year term, a contribution requirement exists for the subject project, the surety or guarantor shall pay the Company for such contribution requirement, or
 - iii. Customer, upon approval by Company, may finance the amount of the required contribution subject to the following conditions: 1) maximum contribution to be financed shall be determined by the Company at its sole discretion, 2) maximum term shall be five years, 3) interest will be charged at the Company's incremental weighted cost of capital.

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