



UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

400 North Fourth Street  
Bismarck, ND 58501  
(701) 222-7900

November 8, 2019

Ms. Patricia Van Gerpen  
Executive Director  
South Dakota Public Utilities Commission  
State Capitol Building  
500 East Capitol  
Pierre, SD 57501

Re: Tariff Revision to Purchased Gas Cost  
Adjustment Rate 88  
Docket No. NG19-\_\_\_\_

Montana-Dakota Utilities Co. (Montana-Dakota) herewith electronically submits for Commission approval the proposed revisions to Rate 88 – Purchased Gas Cost Adjustment of its natural gas tariff to change the threshold under which the Company is required to file a gas cost adjustment.

Montana-Dakota requests approval of the following rate schedules provided in Exhibit 1:

- Purchased Gas Cost Adjustment – Rate 88, 5<sup>th</sup> Revised Sheet No. 29

Also attached hereto are the following exhibits:

- Exhibit 2 - Report of Tariff Schedule Change pursuant to ARSD 20:10:13:26
- Exhibit 3 - Customer Notice pursuant to ARSD 20:10:13:18

The Purchased Gas Cost Adjustment tariff (Rate 88), Section 2 (b) currently states that “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 Company is proposing to increase the threshold for determining if a monthly adjustment will be made under Rate 88 from 10 (ten) cents to 25 (twenty-five) cents. The Company expects the increase in the threshold amount will reduce the number of filings by about 50 percent and, many times with the current threshold, the rate increase one month is followed by a decrease the following month. The annual surcharge adjustment filing will be maintained; therefore, all variances between the rates charged and the actual cost of gas will continue to be deferred and trued up through the annual surcharge.

In summary, the proposed change should lessen the administrative burden for the Company and the Commission without any harm to customers.

Montana-Dakota currently has approximately 61,000 gas customers that would be affected by this proposed change.

Please refer all inquiries regarding this filing to:

Ms. Tamie A. Aberle  
Director of Regulatory Affairs  
Montana-Dakota Utilities Co.  
400 North Fourth Street  
Bismarck, ND 58501  
[tamie.aberle@mdu.com](mailto:tamie.aberle@mdu.com)

Also, please send copies of all written inquiries, correspondence and pleadings to:

Mr. Brett Koenecke  
May, Adam, Gerdes & Thompson  
503 South Pierre Street  
P.O. Box 160  
Pierre, South Dakota 57501-0160

This filing has been electronically submitted to the Commission in accordance with ARSD 20:10:01:02:05. Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

Sincerely,



Tamie A. Aberle  
Director of Regulatory Affairs

Attachments

cc: B. Koenecke