

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF)
)
PETITION OF THE SOUTH DAKOTA)
INTRASTATE PIPELINE COMPANY FOR)
A WAIVER OF LOSS AND UNACCOUNTED)
CALCULATION FOR 2020, OR IN THE)
ALTERNATIVE, A DETERMINATION OF THE)
OF LOSS AND UNACCOUNTED FOR 2020)

Docket No. NG19-_____

The South Dakota Intrastate Pipeline Company (SDIP), hereby petitions the South Dakota Public Utilities Commission for a waiver of SDIP's Loss and Unaccounted Adjustment Percentage (L&U) filing for 2020, or in the alternative, for the determination of the L&U. SDIP makes such request for a waiver in order for SDIP to accurately calculate the L&U. In support of this Petition, the SDIP state as follows:


1. For over 25 years, SDIP transported natural gas for MDU on SDIP's Pipeline and MDU was the sole customer of SDIP;
2. Various meters exist on SDIP's pipeline measuring MDU's output of natural gas, however multiple locations on the pipeline contain no MDU metering of gas;
3. On or about April 2019, Ring-Neck Energy & Feed, LLC, dba Ring-Neck Energy, LLC ("Ring-Neck") began receiving gas through SDIP's pipeline;
4. Ring-Neck's receipt of gas is metered at a meter station in Onida, South Dakota;
5. Absent a complete metering of MDU's natural gas receipts, a true L&U is not capable of being accurately calculated;

6. SDIP understands that MDU plans to add meters at MDU's take-off points in order to measure gas going into MDU's distribution system;
7. Since SDIP only transported natural gas for MDU, prior to Ring-Neck taking natural gas, it was not necessary for MDU to have meters at MDU's take-off points;
8. The previous stipulation by and between the parties and the accompanying tariff in NG17-009, as approved by the Commission on October 30, 2019, provided that SDIP shall establish an L&U Percent on an annual basis to be filed with and approved by SDPUC and effective each January 1. The initial L&U percentage was established at 1.34%. MDU originally provided the initial L&U percentage that was included in the first tariff in NG17-009 (2018);
9. SDIP's 2018 leak survey on its pipeline completed in November 2018, determined that leaks do not exist on SDIP's pipeline;
10. SDIP and MDU have attempted to calculate the L&U percentage and believe it is necessary for MDU to place additional meters at MDU's take-off points in order to accurately calculate the L&U percentage;
11. Based upon information provided to SDIP by MDU regarding measured receipts and measured deliveries, the current L&U is estimated by SDIP to be at 0.14%. SDIP recognizes that such estimate, however, fails to take into consideration gas loss related to gas transported by MDU off SDIP's pipeline to communities and consumers; and
12. SDIP recognizes the necessity of an accurate L&U percentage and makes this filing without attesting to the accuracy of the current L&U or the estimated L&U. Such filing is made in order to comply with the previous stipulation.

WHEREFORE, SDIP requests that the Commission grant a waiver of the calculation of a new L&U percentage until such time as MDU places such additional meters at MDU's take-off points and that the L&U percentage remain at 1.34%. In the alternative, SDIP request that the L&U be established at the estimated 0.14% and that both MDU and Ring-Neck have the opportunity to address the appropriate L&U for the year 2020.

Dated this 3rd day of December, 2019.

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