

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

**IN THE MATTER OF THE FILING OF THE SOUTH ) SETTLEMENT STIPULATION  
DAKOTA INTRASTATE PIPELINE COMPANY FOR )  
APPROVAL OF 2021 LOSS AND UNACCOUNTED ) NG20-009  
ADJUSTMENT PERCENTAGE )**

This Settlement Stipulation reflects the resolution reached between South Dakota Intrastate Pipeline Company (SDIP), Montana-Dakota Utilities Co. (MDU), Ring-Neck Energy & Feed, LLC, dba Ring-Neck Energy, LLC (Ring-neck), and the Staff of the South Dakota Public Utilities Commission (Staff), together “Parties,” on the issue of SDIP’s October 21, 2020 filing for approval of 2021 Loss and Unaccounted Adjustment Percentage (L&U).

**I. BACKGROUND**

On October 21, 2020, the Commission received a timely filing by SDIP for Approval of 2021 Loss and Unaccounted Adjustment Percentage. The filing requested the L&U remain at 0.14% for 2021, effective January 1, 2021. On October 22, 2020, the Commission electronically transmitted notice of the filing on the Commission’s PUC Weekly Filing Electronic listserv with an intervention deadline of November 6, 2020. On October 29, 2020, MDU and Ring-neck each filed a Petition to intervene. On November 16, 2020, the Commission issued an Order Granting Intervention to MDU and Ring-neck.

This filing arose from a requirement in the Amended Settlement Stipulation in Docket NG17-009 and in the accompanying tariff, as approved by the Commission on October 30, 2019, which required SDIP establish a L&U on an annual basis to be filed with and approved by the Commission effective each January 1. The initial L&U was established at 1.34% in the initial

NG17-009 Settlement Stipulation, as approved by the Commission in its July 6, 2018 Order. The L&U was set at 0.14%, effective January 8, 2020, in Docket NG19-011.

The Parties met on numerous occasions in an effort to arrive at a mutually acceptable resolution of this matter. As a result of the negotiations, the Parties enter into this Settlement Stipulation which, if approved by the Commission, will maintain the 2021 L&U at 0.14%, effective upon Commission approval.

## **II. PURPOSE OF THE SETTLEMENT STIPULATION**

This Settlement Stipulation (Settlement) has been prepared and executed by the Parties for the sole purpose of resolving SDIP's October 21, 2020 filing in the above captioned matter. The Parties acknowledge that they may have differing views that justify the end result, but each Party deems the end result to be just and reasonable. In light of such differences, the Parties agree that the resolution of any single issue, whether express or implied, should not be viewed as precedent setting. In consideration of the mutual promises hereinafter set forth, the Parties agree as follows:

1. Upon execution of this Settlement, the Parties shall immediately file this Settlement with the Commission together with a joint motion requesting that the Commission issue an order approving this Settlement in its entirety without further condition or modification.
2. This Settlement includes all terms of settlement and is submitted with the condition that in the event that the Commission imposes any material changes in or conditions to this Settlement which are unacceptable to any Party, this Settlement may, at the option of any Party, be withdrawn and shall not constitute any part of the record in this

proceeding or any other proceeding nor be used for any other purpose in this case or in any other case.

3. This Settlement shall become binding upon execution by the Parties, provided however, if this Settlement is withdrawn in accordance with Paragraph 2 above, it shall be null, void, and privileged. This Settlement is intended to relate only to the specific matters referred to herein; no Party waives any right or claim which it may otherwise have with respect to any matter not expressly provided for herein; no Party shall be deemed to have approved, accepted, agreed, or consented to any ratemaking principle, or any method of cost of service determination, or any method of cost allocation underlying the provisions of this Settlement, or be advantaged or prejudiced or bound thereby in any other current or future proceeding before the Commission. No Party nor representative thereof shall directly or indirectly refer to this Settlement or that part of any order of the Commission relating to this Settlement as precedent in any other current or future proceeding before the Commission.
4. The Parties to this proceeding stipulate that documents filed in relation to SDIP's October 21, 2020 filing be made a part of the record in this proceeding.
5. It is understood that Staff enters into this Settlement for the benefit of SDIP's South Dakota customers affected by this docket.

### **III. ELEMENTS OF THE SETTLEMENT**

The Parties agree that the existing L&U of 0.14% is just and reasonable and should continue as the 2021 L&U, effective upon Commission approval. The Parties agree that the

L&U should remain at 0.14% until the current outstanding deferred balance nears zero, thus requiring a new L&U be established. SDIP completed a leak survey on its pipeline in September 2020 and determined that there were no leaks on the pipeline at that time.

The Parties also agree that MDU will continue to provide all necessary information to SDIP on or before September 15 of each year in order for SDIP to calculate the L&U based on the one-year period of time commencing September 1 and ending August 31 of each year. MDU and Ring-neck shall fully cooperate with SDIP to calculate the L&U.

The Parties further agree, that as long as the L&U is set at 0.14%, SDIP, in lieu of a yearly filing to establish a new L&U, will make a yearly compliance filing with the Commission in this docket and include supporting calculations, documentation, and data with the filing by November 1 of each year. The Parties further agree that any Party to the Settlement or the Commission may, within 10 business days of such compliance filing, file a letter in the docket requesting the calculation be formally reviewed and SDIP shall, within 15 business days, file a new docket to establish a new L&U.

At such time as the current outstanding deferred balance approaches zero or SDIP determines establishment of a new L&U is necessary, SDIP shall file a new docket, with service to all Parties to this Settlement, to establish the L&U.

The Parties further agree that nothing contained in this Settlement in anyway amends any of the provisions in the Transportation Agreement between MDU and SDIP dated September 1, 1993 and extended on February 14, 2018 including, but not limited to Section 3.6 Measuring Equipment, of that Transportation Agreement.

The Parties also agree that SDIP's tariff be amended as included in Exhibit A.

**CONCLUSION**

For the reasons stated and based on the representations and agreements made herein, the Parties do so agree.

This Settlement Stipulation is entered into effective this \_\_\_\_\_ day of April 2021.

**South Dakota Intrastate Pipeline Company**

By: *Paul Barband*  
Its: *Attorney*

**South Dakota Public Utilities Commission Staff**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Montana-Dakota Utilities Co.**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Ring-neck Energy & Feed, LLC dba Ring-neck Energy**

By: *[Signature]*  
Its: *a Hominy*

The Parties also agree that SDIP's tariff be amended as included in Exhibit A.

**CONCLUSION**

For the reasons stated and based on the representations and agreements made herein, the Parties do so agree.

This Settlement Stipulation is entered into effective this 26th day of April 2021.

**South Dakota Intrastate Pipeline Company**

**South Dakota Public Utilities Commission Staff**

By: \_\_\_\_\_

By: Amanda M. Reiss

Its: \_\_\_\_\_

Its: Staff Attorney

**Montana-Dakota Utilities Co.**

**Ring-neck Energy & Feed, LLC dba Ring-neck Energy**

By: Brett Koewake

By: \_\_\_\_\_

Its: Attorney-of-record

Its: \_\_\_\_\_