



UTILITIES CO.

A Subsidiary of MDU Resources Group, Inc.

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Bismarck, ND 58501
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January 20, 2023

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

Re: North Deadwood Expansion Area Surcharge Rate 75
Docket No. NG22-011

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (“Montana-Dakota” or “Company”) herewith electronically submits for South Dakota Public Utilities Commission (“Commission”) approval an updated proposed North Deadwood Expansion Surcharge Rate 75 (Rate 75) reflecting clarifying language necessary to distinguish between the party responsible for payment of the initial down payment and that of the ongoing monthly charges once service has been established.

On November 18, 2022, Montana-Dakota submitted a new rate schedule applicable to the recovery of costs associated with the construction of a new town border station near Deadwood, South Dakota in Docket No. NG22-011. Recently, Montana-Dakota reviewed its November 18th tariff submission and believes a clarifying change is warranted in order to distinguish between the party responsible for the initial down payment required at the time a service line application is signed and that of the ongoing monthly charges once service has been established as they may be different parties. In developing areas such as the Deadwood development area, a project developer may be different from the contractor(s) constructing the homes and/or businesses as well as the customers ultimately residing in those homes or businesses. Therefore the Company believes the changes identified herein help distinguish the party responsible for the different charges under Rate 75.

Montana-Dakota is therefore proposing the tariff changes noted below to that filed on November 18, 2022. The Company is redlining the changes herein to help highlight the changes being proposed today from those included in the November 18th filing.

Down Payment:

Initial up-front payment required at the time a ~~participating customer signs the extension service agreement~~an application requesting the installation of a service line is signed. The party requesting the installation of the service line is responsible for the down payment.

Rate:

Charges billed customer locating within defined North Deadwood Expansion Surcharge Area. Charges will be included on customer's monthly bill following the charges billed under customer's otherwise applicable rate schedule.

Montana-Dakota appreciates the Commission's consideration of the Company's request and continues to believe Rate 75 will benefit all South Dakota customers through the additional revenue collected in this growth area.

Sincerely,

/s/ Travis R. Jacobson

Travis R. Jacobson
Director of Regulatory Affairs

Attachment
cc: B. Koenecke
A. Waldon