

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

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING WAIVER
MONTANA-DAKOTA UTILITIES CO., A)	
DIVISION OF MDU RESOURCES GROUP, INC.)	NG99-009
FOR APPROVAL OF A WAIVER FROM)	
SECTION 4(a) OF THE PGA TARIFF RATES 88)	
AND 89)	

On November 12, 1999, Montana-Dakota Utilities Co. (MDU) filed an application with the South Dakota Public Utilities Commission (Commission) for a waiver from Section 4(a) of the PGA tariff Rates 88 and 89, which specifies that the surcharge adjustment is effective May 1, of each year.

MDU proposed distributing a net refund from the Williston Basin Interstate Pipeline Company (Williston Basin) pursuant to FERC orders in Docket Nos. RP92-236 et al., RP95-364-000, RP95-364-005 and RP95-354-006 and in accordance with Williston Basin's Compliance filing dated October 29, 1999, to its South Dakota customers. It is in the amount of one million five hundred twenty-seven thousand nine hundred and eight dollars (\$1,527,908) for its Black Hills system and fifty three thousand four hundred sixty-nine dollars (\$53,469) for its East River system. MDU proposed to implement an out-of-cycle surcharge adjustment to be effective December 1, 1999 through April 30, 2000, as the means of returning the net refund to its South Dakota customers.

A waiver was requested by MDU from Section 4(a) of the present PGA tariff, which specifies that all refunds received shall be part of a surcharge adjustment to the PGA effective May 1, of each year.

At its regularly scheduled November 29, 1999, meeting, the Commission considered this matter. The Commission found that it has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically SDCL 49-34A-4(10), 49-34A-26 and 49-34A-72 and ARSD 20:10:13:08.

Further, the Commission found that the requested waiver of Section 4(a) of MDU's PGA tariff and the disbursement of the refund to South Dakota customers via an out-of-cycle surcharge adjustment to be effective December 1, 1999 through April 30, 2000, was just and reasonable and unanimously voted to approve same.

It is therefore,

ORDERED, that a waiver of Section 4(a) of MDU's PGA tariff is approved and MDU shall be permitted to implement an out-of-cycle surcharge adjustment to be effective December 1, 1999 through April 30, 2000, consistent with this filing; and it is

FURTHER ORDERED, that pursuant to SDCL 49-34A-72, MDU shall reimburse the Commission for its litigation expenses pertaining to Williston Basin's FERC dockets in the amount of \$35,478.37, which shall be recovered from the South Dakota portion of the refund MDU received from Williston Basin.

Dated at Pierre, South Dakota, this 8th day of December, 1999.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u>Alaine Kalbo</u>
Date:	<u>12/8/99</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner