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March 28, 2013

Mr. Burl Haar  
Executive Secretary  
Minnesota Public Utilities Commission  
121 East Seventh Place, Suite 350  
St. Paul, MN 55101-2147

**RE: *In the Matter of Great Plains Natural Gas Co. Demand Entitlement Filing,***  
**Docket No. G004/M-12-740**  
**Reply Comments of Great Plains Natural Gas Co.**

Dear Mr. Haar:

Great Plains Natural Gas Co. (Great Plains), a Division of MDU Resources Group, Inc., herewith electronically files its Reply Comments to the Comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) filed on March 18, 2013 regarding Great Plains' Demand Entitlement Filing in Docket No. G004/M-12-740.

Great Plains agrees with the recommendations of the Department and requests that the Commission issue an Order accepting Great Plains' Demand Entitlement Filing. In addition, Great Plains files brief responsive comments.

If you have any questions regarding this filing, please contact me at (701) 222-7854, or Brian Meloy, at (612) 335-1451.

Sincerely,

*/s/ Rita A. Mulkern*

Rita A. Mulkern  
Director of Regulatory Affairs

**STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION**

<b>Beverly Jones Heydinger</b>	<b>Chair</b>
<b>Dr. David C. Boyd</b>	<b>Commissioner</b>
<b>Nancy Lange</b>	<b>Commissioner</b>
<b>J. Dennis O'Brien</b>	<b>Commissioner</b>
<b>Betsy L. Wergin</b>	<b>Commissioner</b>

<b>In the Matter of Great Plains Natural Gas Co. Demand Entitlement Filing</b>	)	<b>Docket No. G004/M-12-740</b>
	)	
	)	<b>Reply Comments of Great Plains Natural Gas Co.</b>
	)	
	)	

On July 2, 2012, Great Plains submitted its Demand Entitlement (DEQ) Filing for the 2012-2013 heating season. On March 18, 2013, the Department of Commerce, Division of Energy Resources (Department) filed its comments. The Department recommends accepting Great Plains DEQ filing subject to the provision of additional information in its Reply Comments or in future filings: 1) that Great Plains periodically review its forecasting techniques in case there are developments in this area that may be beneficial to ratepayers, 2) require Great Plains to provide in its next general rate case a full discussion and cost analysis scenario showing the impact of requiring telemetry for all current interruptible customers and as a requirement for any potential future interruptible customers, and 3) that Great Plains provide a discussion and supporting documentation comparing usage for new construction and older construction on both its North and South Districts. The Department also requested that Great Plains continue filing its annual demand entitlement on or about July 1 of each year. Great

Plains agrees with the recommendations and addresses the comments of the Department below.

## I. DISCUSSION

### A. Review of Design Day method

The Department recommends acceptance of Great Plains' design day method, however on page 8 of its Comments, the Department also recommends that Great Plains review its forecasting techniques periodically in case there are developments in forecasting that may benefit customers.

Great Plains agrees to review its forecasting methodology periodically in order to continue to accurately as possible forecast the peak day usage for its firm customers.

### B. Impact of Installing Telemetry for all Interruptible Customers

On page 8 of its Comments, the Department provides a discussion regarding Great Plains use of telemetry for interruptible customers. Specifically, the Department recommends that the Commission require Great Plains to provide a full discussion and cost analysis scenario showing the impact of requiring telemetry for all current interruptible customers and as a requirement for any potential future interruptible customers. Currently, Great Plains has telemetry on all interruptible transportation customers and some large interruptible sales customers. Great Plains agrees with the Department that requiring telemetry on all interruptible sales customers, estimated to be approximately 130 customers, is ultimately a cost issue and is best dealt with in a rate case setting.

Great Plains does not object to providing the requested analysis in its next general rate case, as recommended by the Department.

**C. New vs. Old construction usage**

In its Reply Comments on page 11, the Department notes that Great Plains agrees to provide a discussion and supporting documentation comparing actual usage for new construction to usage for older construction for both its North and South Districts. Great Plains is currently working on its analysis and proposes to provide this information to the Department with its next DEQ filing to be submitted by July 1, 2013.

**D. Demand Entitlement Filing submission date**

On page 11 of its Comments, the Department requests that Great Plains continue to file its annual demand entitlement on or about July 1 of each year. Great Plains agrees with this request and will continue to file its DEQ filing as noted.

**II.  
CONCLUSION**

Great Plains respectfully requests that the Commission issue an Order accepting Great Plains' DEQ filing.

Dated: March 28, 2013

Respectfully Submitted,

*/s/ Rita A. Mulkern*

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Rita A. Mulkern  
Director of Regulatory Affairs  
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