



705 West Fir Avenue

Mailing Address:

P.O. Box 176

Fergus Falls, MN 56538-0176

(218) 736-6935

August 29, 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-13-566
*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 August 19, 2013 regarding Great Plains' Demand Entitlement Filing in Docket No. G004/M-13-566.

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**

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

In the Matter of Great Plains Natural Gas Co. Demand Entitlement Filing)	Docket No. G004/M-12-566
)	
)	Reply Comments of Great Plains Natural Gas Co.
)	
)	

On June 28, 2013, Great Plains submitted its Demand Entitlement (DEQ) Filing for the 2013-2014 heating season. On August 19, 2013, the Department of Commerce, Division of Energy Resources (Department) filed its comments. The Department recommends accepting Great Plains DEQ filing and requests that Great Plains provide a discussion explaining whether it believes the current peak day definition of the coldest day in the last twenty years is appropriate or whether maintaining the 1996-1997 heating season event as the peak day is more appropriate. 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. Use of the coldest day in the last twenty years in the design day forecast

On page 6 of its Comments, the Department provides a discussion regarding the Commission's prescribed use of the coldest day in the last twenty years in the determination of peak day demand, with the 1995-1996 heating season having the coldest day in the last twenty years for Great Plains. If there is not a peak winter day event in the next couple of years, the peak degrees days to use in the development of the peak heating use would default to a new, lower level. If a cold weather event then occurred, there is the possibility that reliability could be at risk.

While Great Plains has been comfortable with the use of the coldest day in the last twenty years, it believes that switching from the coldest average temperature in the past twenty years to a longer time period would be appropriate. Montana-Dakota Utilities Co., also a Division of MDU Resources Group, Inc. uses the past thirty years in the four jurisdictions it provides gas service and is more comfortable with the longer historical time period. Great Plains attempts to maintain a pipeline transportation reserve margin of around five percent in order to handle unexpected events, such as a daily average temperature setting a new record low. Great Plains is in agreement with the statement that system reliability is a concern and using a longer historical temperature period of thirty years should help address this issue.

B. Demand Entitlement Filing submission date

On page 8 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: August 29, 2013

Respectfully Submitted,

/s/ Rita A. Mulkern

Rita A. Mulkern
Director of Regulatory Affairs
Great Plains Natural Gas Co.
a Division of MDU Resources Group, Inc.
400 N. 4th Street
Bismarck, ND 58501