



202 South Main Street
Le Sueur, Minnesota 56058
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July 2, 2014

VIA ELECTRONIC FILING

Dr. Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: **Petition for Approval of Firm Transportation Agreement**
PUBLIC DOCUMENT—TRADE SECRET DATA HAS BEEN EXCISED

Dear Dr. Haar:

Attached hereto, please find Greater Minnesota Transmission, LLC's Petition for Approval of a Firm Gas Transportation Agreement. The attached document is a public document and trade secret data has been excised. A complete copy including the redacted trade secret information has been filed with the Commission.

GMT has served a copy of this filing on the Office of Attorney General – Residential Utilities Division. All individuals on the attached service list have been electronically served as appropriate.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 665-8657 and my email address is kanderson@greatermngas.com

Sincerely,

GREATER MINNESOTA TRANSMISSION, LLC

/s/
Kristine A. Anderson
Corporate Attorney

Enclosure
cc: Service List

CERTIFICATE OF SERVICE

I, Kristine Anderson, hereby certify that I have this day served a true and correct copy of the following document to all persons at the addresses indicated on the attached list by electronic filing, electronic mail, or by depositing the same enveloped with postage paid in the United States Mail at Le Sueur, Minnesota:

**Greater Minnesota Transmission, LLC's Petition for Approval
of Firm Gas Transportation Agreement
Docket No. _____/_____**

filed this 2nd day of July, 2014.

/s/ Kristine A. Anderson
Kristine A. Anderson, Esq.
Corporate Attorney
Greater Minnesota Transmission, LLC

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc.	202 S. Main Street Le Sueur, MN 56058	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.	202 South Main Street P.O. Box 68 Le Sueur, MN 56058	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.	PO Box 68 202 South Main Street Le Sueur, MN 56058	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Greater Minnesota Transmission, LLC_Official Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
David C. Boyd	Commissioner
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
Betsy Wergin	Commissioner

MPUC Docket No. _____

**In the Matter of Greater Minnesota
Transmission, LLC's Petition for
Approval of a Firm Gas Transportation
Agreement with West Central
Ag Services**

SUMMARY OF FILING

Please take notice that on July 2, 2014, Greater Minnesota Transmission, LLC. ("GMT") filed with the Minnesota Public Utilities Commission a Petition for Approval of a Firm Gas Transportation Agreement pursuant to Minnesota Statutes Section 216B.045 regarding intrastate pipeline contracts. GMT requested Expedited Proceeding status and intends to construct the intrastate pipeline facilities described in the Petition subject to subsequent Commission approval.

Dated: July 2, 2014

/s/ Kristine A. Anderson
Kristine A. Anderson
Corporate Attorney
Greater Minnesota Transmission, LLC
202 S. Main Street
Le Sueur, MN 56068
Phone: 888-931-3411

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
David C. Boyd	Commissioner
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
Betsy Wergin	Commissioner

MPUC Docket No. _____

**In the Matter of Greater Minnesota
Transmission, LLC’s Petition for
Approval of a Firm Gas Transportation
Agreement with West Central
Ag Services**

**PETITION FOR APPROVAL OF
A FIRM GAS TRANSPORTATION
AGREEMENT
PUBLIC DOCUMENT
TRADE SECRET DATA
HAS BEEN EXCISED**

OVERVIEW

Greater Minnesota Transmission, LLC (“GMT”) submits this filing to the Minnesota Public Utilities Commission (“Commission”) to request that the Commission approve a Firm Gas Transportation Agreement (“the Agreement”) between GMT and West Central Ag Services (“West Central Ag”) pursuant to Minnesota Statutes section 216B.045. A copy of the Agreement is appended hereto as Exhibit A and is incorporated herein by reference. GMT respectfully requests that the Commission treat this matter as an expedited proceeding and that it grant approval of the Agreement at issue. GMT acknowledges the burden that expedited consideration places on the Commission, its staff, and the staff of the Minnesota Department of Commerce, Energy Regulation and Planning (“Department”). As detailed further herein, GMT was recently approached by West Central Ag to provide natural gas; and, as the totality of the circumstances demonstrates, the benefits to the Ulen, Minnesota community will be exponential if the project can be completed this year.

GMT intends to construct a new 10½ mile transmission line to serve West Central Ag near Ulen, Minnesota. West Central Ag will utilize its own gas, transported by GMT; and, as a result, will be able to both stimulate the local economy with increased agricultural services productivity and release a substantial quantity of propane for use in the local market.

GMT is requesting expedited approval of the Agreement because it is critical to both distressed farmers and residents in the Ulen area. This year's wet weather, delayed planting, and flooding issues have increased the likelihood of significant grain drying requirements for the upcoming fall season. West Central Ag is hoping the availability of natural gas for use in its facility will free up between [TRADE SECRET DATA BEGINS] . . . [TRADE SECRET DATA ENDS] gallons of propane for use in the surrounding community. West Central Ag is requesting that natural gas transportation service be underway by October 1, 2014 so that it can effectively minimize propane use for its grain drying operations and allow the surrounding community to benefit from the increased propane availability during the upcoming heating season.

Importantly, GMT is not a public utility and, therefore, respectfully submits that it does not fall within the scope of the regulatory arena governing retail gas distribution companies. Nonetheless, GMT incorporates similar information as that required for gas distribution companies in this Petition for purposes of aiding in the Commission's analysis.

EXPEDITED PROCEEDING REQUEST

GMT respectfully requests that this proceeding be treated as an expedited proceeding. The Commission may treat a proceeding as an expedited proceeding when contested case proceedings are not required pursuant to Minn. R. 7829.1200, Subp. 1. In this instance, an expedited proceeding is not only authorized, but is appropriate under the circumstances because there are no material facts in dispute, the parties to the Agreement have already executed it thereby signifying their intent that the matter proceed quickly such that expedited consideration is appropriate, and informal and expedited proceedings are not statutorily prohibited. Due to its request to have this matter deemed an expedited proceeding, a verifying affidavit of GMT's president attesting to the veracity of the factual allegations made herein is filed herewith and incorporated herein by reference. Expedited consideration of this matter will allow construction of the necessary facilities to occur this year and ensure that West Central Ag is able to begin utilizing natural gas this fall, the enabling the holistic benefits to impact the rural town of Ulen, Minnesota and its surrounding area prior to the next heating season.

SUMMARY OF FILING

A one-paragraph summary of this filing, sufficient to apprise potentially interested parties of its nature and general content, accompanies this Petition.

SERVICE ON REQUIRED AND INTERESTED PARTIES

GMT served a copy of this Report on the Residential Utilities Division of the Office of the Attorney General and on all parties reflected on the accompanying Certificate of Service and Service List.

GENERAL FILING INFORMATION

In the spirit of offering information that is required of public utilities pursuant to Minnesota Rule Part 7829.1300, Subpart 4, the following specific content is provided:

A. Name, Address and Telephone Number of the Utility

Greater Minnesota Transmission, LLC
202 South Main Street
P.O. Box 68
Le Sueur, Minnesota 56058
Telephone: (888) 931-3411

B. Name, Address and Telephone Number of the Attorney for Utility

In-House Corporate Attorney:
Kristine A. Anderson, Esq.
Greater Minnesota Gas, Inc.
202 South Main Street
P.O. Box 68
Le Sueur, Minnesota 56058
Telephone: (888) 931-3411

Outside Counsel:
Eric F. Swanson, Esq.
Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 350
Minneapolis, Minnesota 55402-4629
Telephone: (612) 604-6400

C. Date of Filing and Proposed Effective Date of Rate Change

Date Filed: July 2, 2014
Proposed Effective Date: Upon Commission approval and completion of project

D. Statute Controlling Time Frame for Processing Filing

Minnesota Statutes § 216B.045, subd. 4 requires the filing and approval by the Commission of the Firm Gas Transportation Agreement at issue; but, it does not include any explicit time limit for processing the application by the Commission. GMT is unaware of any other statute that controls the time frame for processing this filing.

E. Utility Employee Responsible for this Filing (and Signature):

/s/ Kristine A. Anderson
Kristine A. Anderson, Esq.
Corporate Attorney

DISCUSSION AND ANALYSIS

Pursuant to Minnesota Statutes Section 216B.045, Subd. 4. GMT must obtain the Commission's approval of any contract establishing the rates, terms, and conditions of service and facilities being provided by an intrastate pipeline in order for such a contract to be effective. The pipeline contemplated in the Agreement at issue herein constitutes an intrastate pipeline within the meaning of the statute. *See*, Minn. Stat. § 216B.045, Subd. 1.

GMT recognizes that its Agreement with West Central Ag must be just and reasonable and that it is prohibited from providing intrastate pipeline services in a manner that unreasonably discriminates among customers receiving like or contemporaneous services pursuant to Minnesota Statutes Section 216B.045, Subd. 2. Generally, rates are considered just and reasonable when they are not unreasonably preferential, unreasonably prejudicial, or discriminatory; and, when they are sufficient, equitable and consistent in application. Minn. Stat. § 216B.03.

West Central Ag approached GMT approximately two weeks ago when it became aware that GMT intended to transport gas to the Barnesville, Minnesota area for distribution there. After West Central Ag learned that GMT's pipeline would be constructed within a reasonable proximity to its facilities, West Central Ag sought to obtain transport of natural gas for its own use. Partnering with local farmers and other customers, West Central Ag provides a variety of agricultural-based services, including agronomy supply, grain drying and marketing, energy supply (including propane) for both commercial farm and residential use, financing, and insurance. West Central Ag desires to make a substantial financial investment to bring natural gas to its facility in order that its service is operational by October 1, 2014. Its ability to employ natural gas in its facility will allow it make its own operation more productive at a lower cost, will permit it to release more propane to the open market because the propane normally used in its grain drying operations will be freed up, and will generally stimulate the local economy.

The Agreement between GMT and West Central Ag at issue herein will facilitate use of natural gas by an economic cornerstone in a rural area where natural gas has never before been available. GMT will utilize the same town border station being constructed near Hawley, Minnesota for its Barnesville project and will construct a mainline to transport gas from the Hawley town border station to an agreed-upon interconnection point with West Central Ag in Ulen, Minnesota. West Central Ag will utilize the transported gas in its business. Currently, neither businesses nor residents in the Ulen community are able to avail themselves of the benefits of natural gas service and they are forced to rely on alternate heating sources such as propane. As a result, by minimizing or eliminating its own use of propane in its facility, West Central Ag will have more supply available to serve its local partners.

The agreement contemplates accepting delivery of West Central Ag's gas at GMT's Hawley town border station receipt point and redelivering the gas to West Central Ag at its facility receipt point. A map of the proposed project is appended hereto as Exhibit B. The pipeline, approximately 10.5 miles long, will be constructed with 8" high-density polyethylene ("HDPE") pipe. All of the HDPE pipe for the project is designed and will be tested and installed to operate at 100 psi. The pipeline will initially operate at 90 psi.

The Agreement is the result of a cooperative effort by GMT and West Central Ag to create a natural gas solution for West Central Ag. It is the result of an arm's length negotiated transaction between GMT and West Central Ag; and, its terms are substantially similar to those in previously-approved contracts for transport with other GMT customers. The financial terms of the Agreement reflect pricing based on the estimated cost to complete the new construction necessary to support the project to transport gas to the new interconnect with West Central Ag, with such costs being recovered through both demand charges and commodity charges. Both the Department and the Commission have previously recognized the reasonableness of defining a project rate based on a cost-recovery mechanism. West Central Ag is solely responsible for the costs associated with the project.

The estimated capital costs for the project is reflected in Exhibit C, appended hereto. GMT proposes contracting to provide transport capacity to West Central Ag and has submitted an offer to transport up to [TRADE SECRET DATA BEGINS] . . . [TRADE SECRET DATA ENDS] capacity for a fifteen (15) year term at a negotiated rate of a monthly demand charge equal to [TRADE SECRET DATA BEGINS] . . . [TRADE SECRET DATA ENDS]. The budgeted cost for the related Viking fees is [TRADE SECRET DATA BEGINS] . . . [TRADE SECRET DATA ENDS] for an increased metering and facilities. GMT will incur approximately [TRADE SECRET DATA BEGINS] . . . [TRADE SECRET DATA ENDS] of additional equipment and installation costs at the town border station.

Since both GMT and West Central Ag executed the Agreement as reflected in Exhibit A, it is a foregone conclusion that both companies determined that each company will benefit from the Agreement being instituted. In addition, given the mutual execution of the Agreement, a reasonable inference can be made that the rates identified therein are both reasonable and borne of market-based negotiation. Additionally, since GMT would willingly enter into negotiations with other similarly situated private entities to discuss similar cooperative arrangements that would serve the public interest in other respective communities, there is no discriminatory element to the Agreement and GMT has complied with its statutory obligation to offer its terms on an open-access basis.

GMT's existing customers would not sustain any adverse impact as a result of the proposal. Moreover, GMT will benefit from the Agreement by increasing its gross revenue and expanding its intrastate transmission capability. Given the unique opportunity and long-term nature of the Transport Agreement, GMT seeks Commission approval of its proposal so that it may ensure recovery of all reasonable and prudent costs associated with the project while assisting West Central Ag in being able to utilize natural gas for its operations while simultaneously indirectly benefiting the Ulen community.

In light of growing propane supply and cost concerns, GMT believes it is necessary and in the public interest to continue to expand the provision of natural gas throughout rural Minnesota in a manner that is not cost-prohibitive. The opportunity afforded by this project allows a major community business to incorporate natural gas into its business and to position the local community for substantial positive economic impact.

The Agreement reflects a positive partnership between private companies that also serves the public interest. It benefits West Central Ag and, in turn, West Central Ag's customers, the Ulen community, and the local economy. It benefits GMT and, likewise, GMT's customers, by contributing to GMT's economic viability and ability to continue to aid in serving historically unserved and underserved populations.

REQUEST FOR COMMISSION ACTION

GMT is confident that the proposed Agreement serves the public interest and is soundly planned. As the discussion and analysis demonstrates, GMT and West Central Ag carefully contemplated and negotiated a reasonable, fair, and market-based agreement that will West Central Ag to obtain natural gas without adverse effects. Therefore, GMT respectfully requests that the Commission approve the Firm Gas Transportation Agreement ("the Agreement") between GMT and West Central Ag.

Dated: July 2, 2014

Respectfully submitted,

/s/

Kristine A. Anderson
Corporate Attorney
Greater Minnesota Transmission, LLC
202 S. Main Street
Le Sueur, MN 56068

Exhibit A
Agreement

**FIRM TRANSPORTATION AGREEMENT BETWEEN
GREATER MINNESOTA TRANSMISSION, L.L.C.
AND
WEST CENTRAL AG SERVICES**

THIS FIRM TRANSPORTATION AGREEMENT ("Transportation Agreement") is made by and between Greater Minnesota Transmission, L.L.C., ("Company"), and West Central Ag Services ("Customer") and shall be effective upon the date of signature of the last party to sign this Transportation Agreement below ("Effective Date"). Customer has made or will make the necessary contractual arrangements to purchase natural gas and have the gas delivered to a newly constructed Hawley town border station of Company. Customer and Company desire to enter into this Transportation Agreement whereby Company agrees to: (a) construct delivery pipeline facilities to allow the transportation of gas to facilities owned by Customer in the community of Ulen, Minnesota, and its surrounding area; and, (b) provide Firm Transportation natural gas service for benefit of Customer.

WITNESSETH: The parties hereto, each in consideration of the agreement of the other, agree as follows:

- 1.0 TERM. This Transportation Agreement shall be effective as of the effective date, subject to any required jurisdictional regulatory approvals. Company shall begin providing firm gas transportation service hereunder and shall continue providing such service to Customer for a term of 15 years beginning the later of (i) October 1, 2014 or (ii) the date when Company has completed the construction of all necessary facilities to effectuate the transportation of gas hereunder ("Commencement Date"). Customer shall have the option to extend the Transportation Agreement for an additional 15 year term from the end of the original contract term. Customer shall notify Company in writing six months prior to the expiration of the primary term if it wishes to extend this Transportation Agreement.
- 1.1 CONSTRUCTION. Company agrees to construct facilities necessary to transport gas from the Receipt Point to the Points of Delivery set forth in section 2.1 below or other originally installed pipeline and appurtenances in the performance of this Transportation Agreement ("The Delivery Pipeline"). The Delivery Pipeline shall be capable of delivering the volumes of dekatherms of natural gas per hour from the Hawley Town Border Station to the Points of Delivery shown and agreed to on Exhibit B at the operating pressure designated therein. Company shall be solely responsible for permitting, design and right-of-way acquisition required for construction of the Delivery Pipeline, and all costs and expenses relating thereto.
- 2.0 LIMITATION ON OBLIGATION TO DELIVER. This Transportation Agreement is expressly contingent upon Customer or Customer's Agent delivering adequate quantities of natural gas at a pressure no less than psig to the Receipt Point in order to satisfy the gas supply requirements and specifications of Customer's plant at the Points of Delivery. Provided Customer or Customer's Agent delivers such adequate supplies of natural gas, Company shall take no action which in any way limits its ability to satisfy Customer's gas supply

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requirements and specifications. If Customer fails to deliver gas to Company at the Receipt Point, Customer shall immediately cease using gas hereunder. Company is not obligated to provide backup sales service to Customer if Customer's gas supply is interrupted. Notwithstanding the foregoing, Company shall hold Customer harmless from any losses or damages sustained by Company due to an interruption in Customer's gas supply caused by the acts or omissions of Company, its agents, employees or contractors.

- 2.1 **REQUIREMENTS AND DELIVERIES: POINT OF DELIVERY.** Company agrees to accept delivery of Customer's gas at the inlet of the Receipt Point which shall be the inlet of the meter installation at the Company's Town Border Station, Hawley, Minnesota (the "Receipt Point") and to transport and to re-deliver said gas to Customer in volumes up to _____ dekatherms per day ("Daily Demand Volume"), at a minimum operating pressure of _____ psig or such other volumes and pressure as mutually agreed. Customer's points of delivery ("Points of Delivery") and agreed upon pressures shall be those listed in Exhibit B.
- 2.2 **NOMINATIONS.** Customer shall be responsible for nominations and scheduling of Customer owned gas on Viking Gas Transmission ("Viking") upstream transportation systems. Customer shall be responsible for any penalties or charges resulting from a failure by Customer to provide gas equal to its usage pursuant to the tariff(s) in effect on upstream transportation systems.
- 2.3 **RATE OF FLOW.** The gas supply shall be transported to Customer at a rate of flow up to, but not exceeding, _____ dekatherms per hour at the Points of Delivery. Gas shall be delivered at such pressures and temperatures as may exist under operating conditions at Customer's service location. Operating pressures at this location shall not be less than _____ psig unless specifically identified upon a mutually agreed upon pressure listed in Exhibit B.
- 2.4 **BALANCING.** Customer is responsible for any balancing cost or charges on Viking's upstream transportation systems caused by Customer's actions.
- 2.5 **END USER ALLOCATION.** It is understood that Customer and Company shall work together to minimize the administrative burden of administering this Transportation Agreement. Company and Customer shall work together in good faith to enter into end user allocation agreements or other agreements necessary to facilitate this transaction.
- 2.6 **QUALITY.** Customer shall cause to be delivered to the Receipt Point natural gas which meets the gas quality specifications set forth in Viking's Tariff in effect as of the Commencement Date, or under any successor tariff. Company shall not add any constituents or otherwise alter the quality of the gas so delivered by Customer and shall redeliver to Customer at the Points of Delivery hereunder natural gas which meets the same gas quality specifications as set forth in Viking's Tariff then in effect.

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3.0 CHARGES. Effective on the Commencement Date, the charges for the transportation service shall consist of the following:

3.0.1 MONTHLY CHARGE. Not applicable.

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3.0.2 MONTHLY DEMAND CHARGE. A Monthly Demand Charge equal to multiplied by the Daily Demand Volume identified in Section 2.1 above. Notwithstanding the foregoing, if Company does not complete construction of the Delivery Pipeline to the Points of Delivery by October 1, 2014, the Monthly Demand Charge will be reduced by 50% during the twelve (12) month period following the Commencement Date.

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3.0.3 VOLUME CHARGE. A volume charge equal to the product of $\text{\$ } \frac{\text{per dekatherm}}{\text{per dekatherm}}$ and the actual deliveries made by the Company to the Customer during the billing period. The volume metered by Company will be considered to be the actual volume delivered by Company to Customer unless a measurement error is identified.

3.0.4 DAILY VARIANCE PENALTY. Customer will be subject to a daily variance charge determined in accordance with the Daily Delivery Variance Charge provisions of Viking's Tariff as such provisions are in effect at the time the variance occurs. The tolerance level for variances shall be the same as the then effective tolerance level established in the applicable provisions of Viking's Tariff. In the event of a change to the applicable provisions of Viking's Tariff that, as determined by Customer or Company, would have a materially adverse effect on Customer or Company, the adversely affected party may, by written notice to the other party within thirty (30) days of the effectiveness of such change, initiate good faith renegotiations of this Section 3.0.4 to restore the parties to their respective economic positions prior to such change. If the parties are unable to reach an agreement upon such renegotiations within thirty (30) days of written notice, the matter shall be submitted to determination by binding arbitration before a single arbitrator mutually acceptable to the Company and Customer. The place of arbitration shall be Ulen, Minnesota or such location mutually agreeable to Company and Customer.

3.0.5 MONTHLY CASHOUT MECHANISM. The Customer's monthly imbalance, if any, shall be determined, and resolved, in accordance with the Balancing provisions of Viking's Tariff as such provisions are in effect at the time the monthly imbalance occurs. In the event of a change to the applicable provisions of Viking's Tariff that, as determined by Customer or Company, would have a materially adverse effect on Customer or Company, the adversely affected party may, by written notice to the other party within thirty (30) days of the effectiveness of such change, initiate good faith renegotiations of this Section 3.0.5 to restore the parties to their respective economic positions prior to such change. If the parties are unable to reach an agreement upon such renegotiations within thirty (30) days of written notice, the matter shall be submitted to determination by binding arbitration before a single arbitrator mutually acceptable to the Company and Customer. The place of arbitration shall be Ulen, Minnesota or such location mutually agreeable to Company and Customer.

- 3.0.6 **ADDITIONAL CHARGE FOR UNAUTHORIZED USE OF GAS DURING SERVICE CURTAILMENT, INTERRUPTION, OR RESTRICTION.** If Customer or Customer's distribution company fails to interrupt, or otherwise restrict (partially or totally) Customer's use of gas hereunder when requested to do so by Company due to interruption of Customer's gas supply upstream from Company's pipeline system, Customer shall, in addition to the appropriate above rates, reimburse Company for any penalties incurred by Company as a result of continuing service to Customer after Customer fails to interrupt or restrict its use of gas. Company agrees to work with Customer to minimize the administrative burden of managing gas supply to avoid unauthorized gas charges.
- 3.0.7 **TAXES.** In addition to the rates specified above, Company shall collect any sales, use, excise, or other such taxes and city fees that are legally effective and applicable to the service provided hereunder.
- 3.0.8 **METER TESTING.** Company shall test the meter at the Point of Delivery not less than annually. Company will notify Customer in writing of a test no less than 30 days prior to the scheduled test. Customer may witness the test upon return notification to Company. In the event the meter test shows the meter to be in error by more than +/- 1 percent, the bill adjustment provisions of MPUC Rule 7820.3900 shall be applied to the Volume Charge.
- 4.0 **PAYMENT OF BILLS.** All invoices and reasonable supporting documentation shall be sent to Customer at least 10 business days in advance of the due date. These bills are payable at the Company's office on or before the due date. Should Customer fail to remit the full amount when due, Customer shall pay a Late Payment Fee Charge of 1.5%.
- 4.1 **DISPUTED BILLS.** If Customer in good faith disputes the amount of any monthly billing or part thereof, Customer shall pay Company the amount Customer believes to be correct and notify Company in writing of the basis for disputing the bill. Company shall promptly investigate the matter and submit a corrected bill to Customer. If Customer has underpaid the amount actually due, Customer shall within five (5) days remit the additional amount due. If Customer has overpaid the amount actually due, Company shall refund the overpayment through a credit that shall be applied against the Customer's next bill. The Company agrees to waive the Late Payment Fee Charge for the disputed portion of any bill if Customer disputed the bill in good faith.
- 4.2 **TERMINATION DURING CONSTRUCTION.** Customer may terminate this Transportation Agreement during the construction of the Delivery Pipeline upon thirty (30) days written notice and payment of all amounts expended or borrowed by Company (with reasonable supporting documentation provided to Customer by Company) to construct the Delivery Pipeline. Upon receiving written notice of termination, Company shall immediately cease all activities associated with the permitting, design, and construction of the Delivery Pipeline.

- 4.3 **FINANCIAL ASSURANCES.** Customer shall provide to Company's lender(s) financial statements or such other financial adequate assurances reasonably required to arrange for financing of the proposed Delivery Pipeline. This Transportation Agreement is contingent to Company obtaining financing with terms acceptable to Company.
- 5.0 **BILLING ADDRESSES, CURTAILMENT NOTICES, OTHER NOTICES.** The applicable addresses and/or telephone numbers for billing, and bill payment curtailment notices and other notices under this Transportation Agreement are provided in the Exhibit A to this Transportation Agreement.
- 6.0 **WAIVER OF LIABILITY.** Customer shall hold Company harmless for any termination of gas service caused by failure of Customer, Customer's gas supplier(s), or Customer's third party transporting pipeline(s) to deliver gas to the Receipt Point. Neither party shall be liable to the other for any special, incidental, exemplary, punitive, indirect or consequential damages and Company and Customer each waives the right to collect any such damages.
- 7.0 **REGULATORY AUTHORITY AND APPLICABLE LAW.** This Transportation Agreement is subject to all valid laws, orders, rules and regulations of any and all duly constituted authorities having jurisdiction over the subject matter herein and is subject to the receipt of any necessary authorization for the transportation service contemplated herein. This Transportation Agreement shall be governed by and constructed in accordance with the laws of the State of Minnesota. Each party hereby irrevocably submits to the exclusive jurisdiction of state courts of Hennepin County in Minnesota in any action, suit or proceeding relating to the Transportation Agreement, and to the respective courts to which an appeal of the decisions of any such court may be taken, and each party agrees not to commence, or cooperate in or encourage the commencement of, any such action, suit, or proceeding, except in a Minnesota court. Each party hereby irrevocably waives, to the fullest extent it may do so, the defense of an inconvenient forum for such an action, suit, or proceeding. Each party waives to the extent permitted by law their respective rights to trial by jury for any claim whatsoever in any way connected with the Transportation Agreement.
- 8.0 **REPORTING REQUIREMENTS.** Each party shall furnish to the other party all information as may be required or appropriate to comply with reporting requirements of duly constituted authorities having jurisdiction over the subject matter herein.
- 9.0 **CONFIDENTIALITY.** The specific terms of this Transportation Agreement, including but not limited to the Monthly Demand Charge, Company's Volume Charge, the volumes of gas transported, and all other material terms of this Transportation Agreement shall be kept confidential by Company and Customer, except to the extent that any information is required to be included in reports submitted to the appropriate regulatory authority or that must be disclosed to a third party as required by regulatory authority, court order, applicable law, or for the purpose of effectuating transportation of the subject gas pursuant to this Transportation Agreement. However, confidential information may be disclosed to affiliates and agents who have a need to know such terms and who agree to

maintain the confidentiality of such terms. This provision is not intended to prohibit Customer from communicating to Customer's members or the general public the fact that Company and Customer have entered into this Transportation Agreement (without disclosing the specific terms thereof).

- 10.0 SUCCESSION, ASSIGNMENT. This Transportation Agreement shall inure to and be equally binding on the respective parties, their successors and permitted assigns. Neither party shall assign this Transportation Agreement and the rights hereunder without the prior written approval of the other party. Such approval shall not be unreasonably withheld. Such approval is not required in the case of (i) the sale of all or substantially all of the assets and assumption of all or substantially all of the liabilities of either party; (ii) the sale of all the stock of either party; or (iii) the merger or consolidation of either party.
- 11.0 ENTIRE AGREEMENT; MODIFICATION AND WAIVER. This Transportation Agreement, together with all Exhibit A and B's, which shall by this reference be incorporated herein, and any other documents in addition to such Exhibit A and B's attached hereto which the parties have signed or initialed intending to make them a part hereof, constitutes the entire agreement between the parties relating to the transaction described herein and supersedes any and all prior oral or written understandings. No addition to or modification of any provision hereof shall be binding upon either party, and either party shall not be deemed to have waived any provision hereof of any remedy available to it unless such addition, modification or waiver is in writing and signed by a duly authorized officer or representative of Company and Customer.
- 12.0 SEVERABILITY. If any provision hereof is held to be unenforceable by final order of any regulatory authority or court of competent jurisdiction, such provision; shall be severed herefrom and shall not affect the interpretation or enforceability of the remaining provisions hereof.
- 13.0 FORCE MAJEURE. If either party shall be unable to carry out any of its obligations under this Transportation Agreement due to circumstances beyond its reasonable control, including acts of God, governmental or judicial authority, insurrections, riots, labor disputes, labor or material shortages, fires, explosions, floods, third- party negligence, terrorist act, or other events beyond its reasonable control, this Transportation Agreement shall remain in effect but the affected party's obligations shall be suspended until the uncontrollable event terminates.
- 14.0 INDEPENDENT CONTRACTORS. The parties shall be independent contractors in the performance of their obligations under this Transportation Agreement. Nothing in this Transportation Agreement shall be construed to constitute either party as a partner, joint venturer, joint employer, agent, representative or employee of the other party. Each party shall have discretion in the performance of the work under this Transportation Agreement and control and direct its own personnel performing such work.
- 15.0 NO PERSONAL LIABILITY. In no event shall any member, partner, shareholder, owner, officer, director, employee, or affiliate of a party be personally liable to the other party for any payments, obligations, or performance

under this Transportation Agreement, or any breach or failure to perform any of their respective obligations under this Transportation Agreement.

16.0 INSURANCE. Company agrees to carry and maintain casualty, liability and such other types of insurance or such levels of self-insurance, as may be necessary to cover all losses or damages arising out of its performance of its obligations under this Transportation Agreement. Company further agrees to provide to Customer evidence of such insurance, or self-insurance, upon written request and shall include Customer as an additional insured under any such insurance policies.

17.0 COUNTERPARTS; DELIVERY. This Transportation Agreement may be executed by the parties in separate counterparts; each of which when so executed and delivered shall be deemed an original, but all such counterparts shall together constitute one and the same agreement. All signatures need not be on the same counterpart. Duly executed counterparts may be delivered by facsimile transmission and by e-mail of an Adobe.pdf version of an executed counterpart with the same effect as delivery of an original duly executed counterpart by a party.

IN WITNESS WHEREOF, the parties have duly executed this Transportation Agreement on the date provided below.

GREATER MINNESOTA TRANSMISSION, LLC.

By: Guyon A. Palmer
Title: President
Date: 7-1-14

WEST CENTRAL AG SERVICES

By: Jean McCall
Title: CEO
Date: 7-1-14

EXHIBIT A

Notices

If to Company:

**Greater Minnesota Transmission, LLC
P.O. Box 68
202 South Main Street
Le Sueur, MN 56058**

**(888) 931-3411
gmg@greatermngas.com**

If to Customer:

**West Central Ag Services
P.O. Box 368
327 1st St SW
Ulen, MN 56585**

EXHIBIT B
Agreed Upon Delivery Point Volumes and Pressures

Location

Cubic Feet Per Hour

Pressure

327 1st St SW
Ulen MN.

TRADE SECRET
DATA

Exhibit B
GMT-West Central Ag Line Shown in Blue

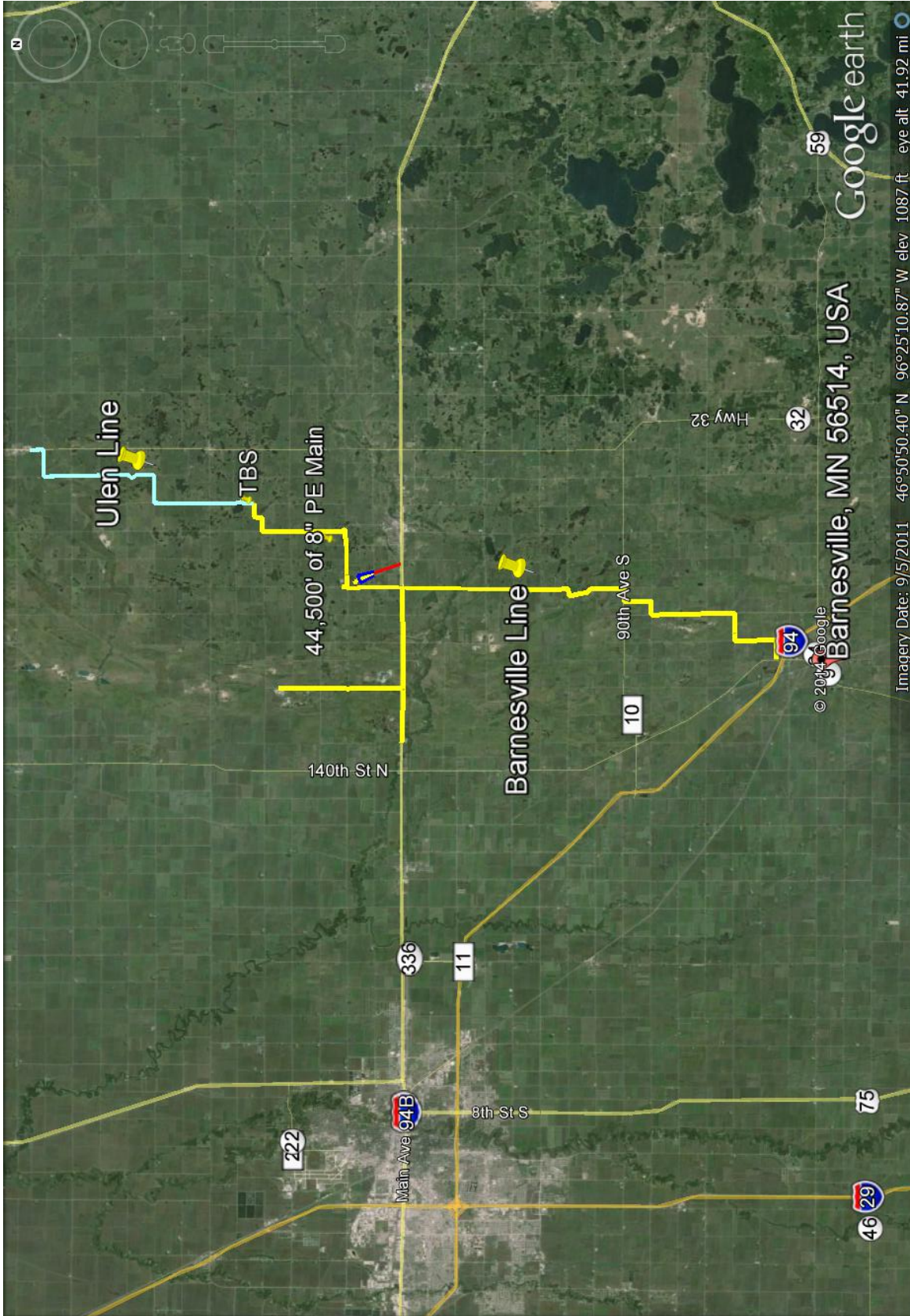


Exhibit C
GMT-West Central Ag Services Agreement
Estimated Capital Costs

[TRADE SECRET DATA BEGINS]

[TRADE SECRET DATA ENDS]

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
David C. Boyd
Nancy Lange
Dan Lipschultz
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

MPUC Docket No. _____

**In the Matter of Greater Minnesota
Transmission, LLC’s Petition for
Approval of a Firm Gas Transportation
Agreement with West Central
Ag Services**

**AFFIDAVIT OF
GREGORY PALMER**

STATE OF MINNESOTA)
) ss.
COUNTY OF LE SUEUR)

Gregory Palmer, being first duly sworn upon oath, states and alleges the following:

1. My name is Gregory Palmer and I am the president of Greater Minnesota Transmission, LLC. (“GMT”). My personal knowledge of the facts stated herein has been derived from my employment with GMT. I submit this Affidavit in support of GMT’s request that its Petition for Approval of a Firm Gas Transportation Agreement with West Central Ag Services (“Petition”) be treated as an expedited proceeding.
2. I was personally involved in discussions and meetings with representatives of West Central Ag Services (“West Central Ag”) during the design of the project and development of the Agreement that is the subject of the Petition (“Agreement”).
3. I certify that all factual averments provided in the attached Petition are true and correct. I further certify that the opinions expressed in the Petition are true and correct reflections of the opinions of GMT representatives.
4. The terms of the Agreement were negotiated between GMT and West Central Ag during arm’s length negotiations and the final terms of the Agreement are the result of negotiated compromises on behalf of both GMT and West Central Ag.

5. GMT does not have any relationship with West Central Ag or with the Ulen area community that has biased the terms of the Agreement or that afforded any party information pertinent to the negotiation process that would not have been otherwise available to other interested entities.

6. I am not aware of any other entity that is anticipating, proposing, or seeking transport of natural gas service in the Minnesota area identified in the Petition. If any other entity had expressed a similar interest, GMT would have been willing to enter into negotiations regarding similar terms with other entities.

7. All information contained herein is true and correct to the best of my knowledge, information, and belief.

Further your affiant sayeth not.

7/2/14
Date

Gregory Palmer
Gregory Palmer

Subscribed and sworn to before me
this 2nd day of July, 2014.

Nicole A. Carlson
Notary Public

