

705 West Fir Avenue Mailing Address: P.O. Box 176 Fergus Falls, MN 56538-0176 (218) 736-6935

February 6, 2020

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

## RE: Reply Comments to the Department of Commerce In the Matter of Great Plains' Demand Entitlement Filing Docket No. G004/M-19-430

Dear Mr. Seuffert:

Great Plains Natural Gas Co. (Great Plains), a Division of Montana-Dakota Utilities Co., herewith electronically submits its Reply Comments to the Comments of the Department of Commerce, Division of Energy Resources (Department) filed on January 27, 2020, regarding Great Plains' Demand Entitlement Filing for the 2019-2020 winter heating season.

The Department recommended the Commission accept Great Plains' proposed level of demand entitlement and allow Great Plains to recover associated demand costs through the monthly Purchased Gas Adjustment effective November 1, 2019. Great Plains agrees with both recommendations of the Department.

While the Department concludes that based on its analysis, and the performance of Great Plains' system during the 2019-2012 heating season<sup>1</sup>, the Department also recommended to the Commission that Great Plains be required to "conduct a design-day analysis based on daily data in its next demand entitlement filing and compare these results to its current design-day method." Great Plains will be able to provide a comparative design day forecast; however, Great Plains does now highlight assumptions that will be necessary to provide a design-day analysis based on daily data.

First, Great Plains does not have the ability to allocate energy across the firm classes, i.e. residential and firm general service or a means of efficiently collecting daily customer metered data. Great Plains does now have daily information for the majority of its interruptible customers allowing an analysis of deliveries to the two rate classes on an aggregated basis and considered firm delivery. Secondly, a small number of interruptible customers do not have daily

<sup>&</sup>lt;sup>1</sup> As noted by the Department at pages 6 and 7 of their January 27, 2020 comments submitted in this Docket, during the last heating season, Great Plains' service territory, and the entire state of Minnesota, experienced a significant cold weather outbreak in late January and early February. This cold weather event marked the coldest conditions since the 1995-1996 heating season and resulted in near design-day conditions. These conditions resulted in the greatest peak sendout per firm customer during the last 5 heating season.

measurement equipment. As such, it will be necessary for Great Plains to estimate daily consumption levels for a small percentage of interruptible customers when conducting a design-day analysis based on daily data.

In Great Plains' DEQ filing on June 28, 2019 and the updated filing on November 1, 2019, Great Plains proposed to release 1,000 Dk/day of contracted Northern Natural Gas (NNG) capacity. Great Plains continues to solicit interest in the capacity release; however, Great Plains has not received interest from a third party. Great Plains will provide an update if a release transaction is executed.

If you have any questions regarding this filing, please contact Tamie A. Aberle at (701) 222-7856, or Brian Meloy, at (612) 335-1451.

Sincerely,

/s/ Tamie. A. Aberle

Tamie A. Aberle Director of Regulatory Affairs

cc: Brian Meloy Service List