November 17, 2025

Sasha Bergman
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Response Comments of the Minnesota Department of Commerce
Docket No. G004/M-25-71

Dear Ms. Bergman,

The Minnesota Department of Commerce's (Department) response to reply comments in the following matter are attached:

Demand Entitlement Filing.

The Petition was filed by Great Plains Natural Gas Company on July 1, 2025, with additional reply and informational update comments filed on October 13 and 31, 2025.

As a result of the analysis in these comments, the Department recommends the Minnesota Public Utilities Commission (Commission):

- Accept the Company's proposed level of demand entitlement;
- Approve Great Plains' proposal to release 8,000 Dk via capacity release on Viking for the 2025-2026 heating season; and
- Allow Great Plains to recover associated demand costs through the monthly PGA effective November 1, 2025.

The Department provides a complete list of its recommendations in Section IV and is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ Dr. SYDNIE LIEB
Assistant Commissioner of Regulatory Analysis

AU/JK/ar
Attachment

Before the Minnesota Public Utilities Commission

Response to Reply Comments of the Minnesota Department of Commerce

Docket No. G004/M-25-71

I. INTRODUCTION

The Minnesota Department of Commerce, Division of Energy Resources (Department) provides its response to reply comments in Docket No. G004/M-25-71, the Demand Entitlement Filing (Petition) of Great Plains Natural Gas Company (Great Plains, GP, or the Company).

II. PROCEDURAL BACKGROUND

July 1, 2025	GP submitted its Petition requesting a change in its 2025-2026 Demand Entitlement.[1]
October 2, 2025	The Department filed initial comments.[2]
October 13, 2025	GP filed Reply Comments in response to the comments of the Department.[3]
October 31, 2025	GP filed an informational update to its Petition.[4]
November 17, 2025	The Department filed response to reply comments.

[1] *In the Matter of Great Plains Natural Gas Company's Demand Entitlement Filing,* Great Plains Natural Gas Company, Demand Entitlement Filing, July 1, 2025, Docket No. G004/M-25-71, (eDocket No. 20257-220585-01) (hereinafter "Petition").

[2] *In the Matter of Great Plains Natural Gas Company's Demand Entitlement Filing,* Department Comments, October 2, 2025, Docket No. G004/M-25-71, (eDocket No. 202510-223523-01) (hereinafter "Department Comments").

[3] *In the Matter of Great Plains Natural Gas Company's Demand Entitlement Filing,* Great Plains Natural Gas Company, Demand Entitlement Reply Comments, October 13, 2025, Docket No. G004/M-25-71, (eDocket No. 202510-223861-01) (hereinafter "Reply Comments").

[4] *In the Matter of Great Plains Natural Gas Company's Demand Entitlement Filing,* Great Plains Natural Gas Company, November 2025 Demand Entitlement Informational Update, October 31, 2025, Docket No. G004/M-25-71, (eDocket No. 202510-224527-01) (hereinafter "November 2025 Update").

III. DEPARTMENT ANALYSIS

A. PROPOSED OVERALL DEMAND ENTITLEMENT LEVEL

A.1. Reply Comments

The Department had request that Great Plains discuss the information it has received from Northern Natural Gas (NNG) regarding the proposed rate changes and provide an estimate of the impact of the proposed increases on Great Plain's average customer by class in its Reply Comments.

In its Reply Comments, Great Plains stated it has intervened in the 2025 NNG rate case[5] via a consortium of joint representation of small utilities. The Federal Energy Regulatory Commission's (FERC) rate case process allows time for interested parties to negotiate a settlement before interim rates are scheduled to become effective on January 1, 2026.[6] GP stated that settlement negotiations for the 2025 NNG rate case are ongoing and confidential. GP also reiterated that the impact on a residential customer bill, assuming FERC agrees to a 35% increase across the board for NNG, would be $72 per year using 90 Dk/year. [7]

The Department also requested that Great Plains address the proposal regarding capacity release of winter season capacity on Viking Gas Company (Viking, VGT). The Company discussed the results of the Company's efforts to market winter season capacity on Viking in the November 2025 Update as provided in the October 31, 2025 Informational Filing is reviewed below.

A.2. November 2025 Update

This filing included supplemental information on capacity releases, TF12 reallocation, and updated demand costs.

A.2.1. Results of Great Plains Marketing of its Excess Viking Winter Season Capacity

Great Plains' original proposal to release 8,000 dk of winter season FT-A capacity on VGT estimated Viking's release rate of $6.32 per dk over twelve months. Since the Petition was originally filed, the Company competitively bid the 8,000 dk it has under contract. The average price of the released winter season FT-A capacity on VGT will be $28.4119 per dk over five months (November 2025 – March 2026).

Table 5-U below is an updated version of Table 5 from the Department's initial comments that incorporates this new information. The table has been updated to reflect the actual average winter season capacity release rate. In doing so, the Department anticipates a total winter season capacity

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[5] FERC Docket No. RP25-989-000.
[6] DOC Attachment 1-RRC contains a copy of FERC's "ORDER ACCEPTING AND SUSPENDING TARIFF RECORDS, SUBJECT TO REFUND, AND ESTABLISHING HEARING PROCEDURES". This order was issued July 31, 2025.
[7] Reply Comments at 1.

release revenue of $1,136,476 and a net benefit to ratepayers of $596,956due to Great Plain's reselling the additional 8,000 dk capacity release it has under contract for the 2025-2026 winter season.

Table 5-U – Great Plains Capacity Releases during the Winter Season Months, Revenue, Costs and Net Benefit to Ratepayers by year – 2022 – 2025[8]

Year	Amount of Capacity Released (Dks.) (a)	VGT tariffed rate ($/Dk) (b)	Cost of VGT Capacity Released ($/yr)[9] (c)	Avg Winter Season Capacity Release Rate ($/Dk.) (d)	Total Winter Season Capacity Release Revenue (Nov - Mar)[10] (e)	Net Benefit to Ratepayers ($/yr)[11] (f)
2022	4,291	$3.806	$195,979	$13.594	$291,657	$95,679
2023	4,291	$3.806	$195,979	$16.476	$353,484	$157,505
2024	8,000	$5.620	$559,145	$18.633	$745,300	$186,155
3 Yr Avg	5,527	$4.60	$305,137	$17.098	$472,528	$167,390
2025	8,000	$5.620	$539,520	$28.412	$1,136,476	$596,956

The Department recognizes that the Company's forecast of the market value for firm heating season capacity on Viking was correct and Great Plains ratepayers benefited financially from that strategy.

A.2.2. TF12 Reallocation

The Company also noted NNG provided information to Great Plains regarding the Company's final allocation of TF Base and TF Variable entitlements for 2025/2026 heating season.[12] The TF12 Base allocation decreased by 205 dk to 5,498 dk/day and the TF12 Variable allocation increased by 205 dk to 5,447 dk/day. The impact of the changes to the TF12 allocations on the Company's annual demand cost was an increase of $0.57390/Dk.[13]

A.2.3. Updated November 1, 2025, Demand Cost

GP also provided an updated estimate of its November 1, 2025, Demand Cost of Gas. The Company is requesting this updated demand cost be recovered through the Purchase Gas Adjustment (PGA) effective November 1, 2025. Table 1 summarizes the Company's proposed demand cost of gas included in its Petition, October 1 PGA filing and 2025 November Update.

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[8] All the information in Table 5 was taken from Great Plains' annual demand entitlement filings or updates except for the calculation of cost of VGT capacity released, total winter season capacity release revenue (Nov-Mar), and calculation of the net benefit to ratepayers.
[9] (a x b x 12) = c
[10] (a x d x 5) = e
[11] (e – c) = f
[12] November 2025 Update at 1.
[13] November 2025 Update at 3 and Exhibit C.

Table 1-RSC – Comparison of Great Plains Forecasted and Actual Demand Cost of Gas for November 2025 and Estimated Demand Cost of Gas for January 2026 Assuming 35% NNG rate increase– Residential [14, 15, 16]

Date Filed	Cost per Dk.	Annual Usage	Annual Cost	Variance ($)	Variance (%)
1-Jul-25	$2.3638	81.2	$191.94	NA	NA
1-Oct-25	$1.6133	81.2	$131.00	-$60.94	NA
1-Nov-25	$2.1872	81.2	$177.60	$46.60	35.6%
1-Jan-26	$3.1638	81.2	$256.90	$79.30	44.7%

That information identified an increase of a residential customer's annual demand costs of 35.6 percent compared to the Company's rates effective October 1, 2025. When compared to Great Plains Initial Filing, residential customer annual demand costs are 7.5 percent lower.[17]

A.2.4. Updated Demand Costs

Great Plains' updated demand change represents an increase of $0.57390/Dk from rates effective October 1, 2025, which is an increase of 35.6 percent in a Residential customer's annual demand cost.[18] The updated rates reflect lower annual demand costs than those proposed in the Initial Filing. In its Initial Filing, Great Plains anticipated annual demand costs for an average residential customer of $191.94,[19] while in Great Plains Informational Update the annual demand costs are $177.60,[20] reflecting a decrease of $14.34 or 7.5 percent.

The reason for the decrease in the demand cost of gas for November 2025 between July and October is due to the Company increasing the estimated revenue resulting from the sale of the winter season capacity on Viking. The value of the capacity release credit in July for November increased from $607,200 in the Petition[21] to $1,136,476 in the November 2025 Update. As discussed above, in its Petition Great Plains assumed the resale price of the 8,000 Dk of winter season capacity on Viking the Company was marketing would be equal to Viking's tariffed rate. The favorable market rates received

[14] Petition, Exhibit C at 1 for forecasted demand cost of gas for November 2, 2025, provided July 1, 2025.
[15] 2025 November Update, Exhibit C at 1 for actual demand cost of gas for October 1, 2025, and forecasted demand cost of gas for November 1, 2025.
[16] See DOC Attachment 2-RRC which includes Great Plains estimate of the increase for a residential customer resulting from a 35 percent increase in NNG's rates. The Department then prorated that increase to an annual usage of 81.2 dk.
[17] Calculation = November 1, 2025, forecasted in July 2025 - $2.36380/Dk minus November 1 forecast for November 1 demand cost of $2.1872/Dk equals the incremental change from the July to November estimated demand cost. (2.36380 – $2.1872/Dk = $0.1766/Dk). The incremental change of $0.1766/Dk multiplied by the average residential customer demand of 81.2 Dk equals the nominal change in annual demand cost from July to November 2025. ($0.1766/Dk).x 81.2 Dk/year = $14.34. Incremental change per year in demand cost ($0.1766/Dk.) divided by the November 1 forecast of annual demand cost as of July 1, 2025 ($191.94) equals the percentage change in the demand cost of gas between July and November 2025. ($14.24/$191.94 – 7.5%).
[18] 2025 November Update at 3.
[19] Petition, Exhibit C, demand cost of $2.36380/Dk applied to the average residential customer demand of 81.2 D equals $191.94.
[20] 2025 November Update at 3.
[21] Petition at 4.

for the capacity release drove the increased credit, equaling an increase in the credit of $596,956 or 187 percent.

Great Plains estimated its November 1, 2025, demand rate as $2.36380 in its Initial Filing.[22] The Company proposes a November 1, 2025, demand rate of $2.18720 in the Informational Update.[23]

After removing the effects of the changes in demand and supply as well as the addition of more timely information on the price Great Plains received for the Viking winter season it sold for the 2025-2026 heating season, the Department concludes that the proposed November 1, 2025, demand rate is reasonable and recommends approval.

The Department included the potential effects of the NNG 2025 rate case on the demand cost of gas for January 2026 thinking the Commission would be interested in seeing the potential effects of that increase. The Department has no recommendation regarding this potential increase.

IV. DEPARTMENT RECOMMENDATIONS

Based on its review and analysis of the information in the record, the Department has prepared recommendations which are provided below:[24]

- Section A – No recommendation.
- Section B - Accept the Company's proposed level of demand entitlement.
- Section C – Accept Great Plains proposed design day estimate for the 2025-2026 heating season.
- Section D – Effects of Electrification/Decarbonization on Great Plains 2025-2026 design day – the Department has no recommendation on this topic.
- Section E - Accept the Company's proposed reserve margin.
- Section F – Approve the Company's cost-recovery proposal for recovering demand entitlement costs through the PGA effective November 1, 2025.
- Section G – Accept Great Plains efforts to comply with additional reporting requirements included in Commission Orders regarding demand entitlement.

[22] Petition, Exhibit C at 1.
[23] 2025 November Update, Exhibit C at 1
[24] This list of recommendations follows the outline the Department included in its October 2, 2025, Comments.

Attachments

Title	Description	Topic
DOC-1-RRC	FERC Order for NNG's 2025 FERC Rate Case	
DOC-6	DOC IR No. 18/Company response (from Comments filed October 2025	Effects of 35% Increase in NNG's rates effective January 1, 2025

Exhibits

Title	Description	Topics
DOC-1	Demand Entitlement Historical and Current Proposal	Historical Information 2015-2016 through 2025-2026
DOC-2	Demand Entitlement Analysis	Summary information on Number of Customers, Design Day, Demand Entitlement, Reserve Margin, Firm Peak Day Sendout, Per Customer Metrics

192 FERC ¶ 61,104
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Mark C. Christie, Chairman;
David Rosner, Lindsay S. See,
and Judy W. Chang.

Northern Natural Gas Company | Docket Nos. RP25-989-000
RP25-989-001

ORDER ACCEPTING AND SUSPENDING TARIFF RECORDS, SUBJECT TO REFUND, AND ESTABLISHING HEARING PROCEDURES

(Issued July 31, 2025)

1. On July 1, 2025, and as amended on July 18, 2025, Northern Natural Gas Company (Northern Natural) filed revised tariff records[1] pursuant to section 4 of the Natural Gas Act (NGA)[2] and Part 154 of the Commission's regulations.[3] Northern Natural proposes, in its Base Case, a general rate increase and modifications to currently effective rates to be effective August 1, 2025. Northern Natural also filed a Prospective Case with *pro forma* tariff records to (a) revise its rate structure to implement system-wide reservation rates for transportation service, instead of the current separate zone rates for its Market Area and Field Area, (b) establish two postage stamp transportation commodity rates in the Field Area, and (c) convert small customer tariff provisions to standard tariff provisions applicable to all other shippers. Northern Natural proposes the Prospective Case become effective prospectively after Commission review and approval.

2. As discussed below, we accept and suspend the Base Case tariff records referenced in Appendix A to be effective upon motion January 1, 2026, subject to refund and the outcome of hearing procedures established herein. We also set the language of the Prospective Case *pro forma* tariff records for hearing, pursuant to the hearing procedures established in this order.

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[1] *See* Appendix A. The July 18, 2025 amendment includes a tariff record that corrects a metadata issue.

[2] 15 U.S.C. § 717c.

[3] 18 C.F.R. §§ 154.301 to -.315 (2024).

I. Background

3. Northern Natural states that it operates a 14,243-mile interstate natural gas pipeline system, extending from West Texas to the Upper Peninsula of Michigan. Northern Natural states that its Market Area receives natural gas from other interstate pipelines and makes deliveries to local distribution companies and industrial end users. Northern Natural states that its Field Area receives natural gas from other interstate pipelines, intrastate pipelines, and gas processors. Northern Natural states that it makes deliveries in the Field Area and transports gas north for use in the Market Area, with deliveries to the demarcation point between the Market Area and the Field Area at Clifton, Kansas.

4. Northern Natural states that its last NGA section 4 rate case was filed in Docket RP22-1033-000 on July 1, 2022. On September 7, 2023, the Commission approved Northern Natural's 2023 Settlement that resolved its rate case and established Northern Natural's current rates.[4] Northern Natural states that, by the end of the nine-month adjustment period, it will have invested approximately $1.6 billion since its last rate case in asset modernization and maintenance that is not recovered in current rates.[5] Northern Natural states that its proposed $1.1 billion increase in rate base compared to the 2022 rate case filing is primarily due to those investments.

II. Northern Natural's Filing

A. Base Case Rate Proposals

5. In its Base Case, Northern Natural proposes transportation rates based on the same cost allocation and rate design used in the Docket No. RP22-1033-000 filing.[6] Northern Natural proposes rates based on a total annual cost of service of $1,614 million and a total rate base of $5,240 million using data for the base period consisting of 12 months ending March 31, 2025, as adjusted for known and measurable changes through December 31, 2025.

6. For the proposed storage rates, Northern Natural states that the rates reflect a revenue credit for existing market-based storage contracts. Northern Natural proposes combined storage injection and withdrawal determinants of 137,910,673 dekatherms

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[4] *N. Nat. Gas Co.*, 184 FERC ¶ 61,149 (2023) (approving 2023 Settlement).

[5] Northern Natural Transmittal at 2.

[6] *Id.* at 4; *see also N. Nat. Gas Co.*, 180 FERC ¶ 61,066, at P 5 (2022) (reporting use of straight fixed variable rate design).

(Dth) and transportation usage determinants of 1,019,798,951 Dth for the Market Area and 1,582,062,206 Dth for the Field Area.

7. Northern Natural proposes new depreciation rates based on actual retirement data and a 28-year economic life. Northern Natural also proposes updated negative salvage rates for transmission plant, and to include proposed negative salvage rates for liquified natural gas (LNG) storage and underground storage. Northern Natural states that its existing rates do not include any amount for negative salvage for underground storage plant and LNG storage plant.

8. Northern Natural proposes a 13.63% return on equity applied to an expected capital structure at the end of the test period of 62.44% equity and 37.56% debt. Northern Natural states that the proposed rates reflect discount adjustments in the form of a revenue credit. Northern Natural proposes to roll-in the costs of the 2023 Northern Lights expansion project and the 2025 Northern Lights expansion project.[7]

B. Prospective Case Rate and Tariff Proposals

9. In the Prospective Case, Northern Natural proposes, on a *pro forma* basis, changes to certain provisions in Northern Natural's FERC Gas Tariff. These changes are proposed for adoption following a Commission order and implementation of any necessary information technology system changes. Northern Natural proposes to implement system-wide reservation rates for transportation service instead of the current separate zone rates for the Market Area and Field Area. In addition, Northern Natural proposes to establish two postage stamp transportation commodity rates in the Field Area. This change would result in the elimination of the current Mileage Indicator District matrix and the Dth/mile rates. Finally, Northern Natural proposes conversion of small customer tariff provisions to the standard tariff provisions applicable to all other shippers.[8]

III. Notice of Filing, Interventions, and Protests

10. Public notice of Northern Natural's filing in RP25-989-000 was issued on July 1, 2025. Public notice of Northern Natural's amended filing in RP25-989-001 was issued on July 18, 2025. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.[9] The entities that submitted protests and comments in response to Northern Natural's filing are listed in Appendix B

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[7] Northern Natural Transmittal at 8.

[8] *Id.* at 4-5.

[9] 18 C.F.R. § 154.210 (2024).

(collectively, Protestors). On July 16, 2025, Northern Natural filed a motion for leave to answer and answer in response to the protests. On July 22, 2025, Northern Natural submitted an answer in opposition to the motions to intervene of Laborers' District Council of Minnesota and North Dakota and Great Plains Laborers' District Council (LIUNA Councils). On July 25, 2025, LIUNA Councils submitted a motion for leave to answer and answer. Northern Natural asserts that LIUNA Councils fail to demonstrate that their members have "an interest which may be directly affected by the outcome of this proceeding" as required under Rule 214 of the Commission's Rules of Practice and Procedure.[10] LIUNA Councils argue that entities representing indirect customers of jurisdictional utilities have standing in Commission proceedings[11] and affirm that LIUNA Councils represent members that are affected by the rate proposals.[12]

11. Protestors maintain that Northern Natural has not demonstrated that its proposed rate and tariff changes in the Base Case and Prospective Case are just and reasonable and request that, if accepted, the tariff records be suspended for the maximum statutory five-month period, subject to refund and the outcome of a full evidentiary hearing. Protestors raise questions regarding typical general section 4 rate case issues, including but not limited to cost allocation, billing determinants, capital structure, depreciation rates, postage stamp rate design, and cost of capital.

12. Protestors argue that Northern Natural has not demonstrated that its proposed system-wide reservation rates are just and reasonable. Northern Shipper Group argues that, by eliminating the existing two-zone system for reservation rates and imposing the postage stamp reservation rate, Northern Natural imposes rates on all shippers that are significantly higher than those in its Base Case. Northern Shipper Group states that the change would force shippers who need only Field or Market Area capacity to purchase rights on the entire system, irrespective of existing or preferred supply sources or the location of a shipper's delivery points and markets.[13] BCMSX and Golden Spread state that the proposed postage stamp rate would have a material adverse impact on Field Area shippers, particularly during summer and winter seasons.[14] NMDG/MRGTF request that

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[10] Northern Natural July 22 Answer at 2 *et seq.*; 18 C.F.R. § 385.214 (2024).

[11] LIUNA Councils Answer at 2 (citing cases, including *United Gas Pipe Line Co.*, 49 FERC ¶ 61,005, at 61,017 (1989); *Tex. E. Transmission Corp.*, 21 FERC ¶ 61,281, at 61,761 (1982)).

[12] *Id.* at 6.

[13] Northern Shipper Group Protest at 3.

[14] BCMSX Protest at 18; Golden Spread Protest at 3.

the Commission summarily reject Northern Natural's Prospective Case proposals to create a system-wide reservation rate and eliminate provisions for small customers.[15]

13. NMDG/MRGTF request that the Commission investigate the reasonableness of Northern Natural's generally applicable credit requirements, which require many of Northern Natural's smaller utility customers to either pre-pay a deposit for the upcoming heating season or provide a letter of credit. NMDG/MRGTF request that the Commission require that Northern Natural's deposit and line of credit requirements will be based on existing rates, rather than on interim rates, until the rates are ultimately set and are no longer subject to refund.[16]

14. BCMSX objects to Northern Natural's proposed use of $0 for Storage Price Risk, representing operational purchases and sales made to balance the pipeline system, claiming that Northern Natural's rates should instead reflect a net gain of $26.1 million.[17]

15. Northern Natural responds in its answer that the issues raised by Protestors are typically set for hearing for further development of the record.[18] Northern Natural states that the Commission should deny the request of NMDG/MRGTF for summary rejection of certain proposed tariff changes, because that request does not meet the Commission's standards for summary disposition.[19]

16. Northern Natural states that NMDG/MRGTF raise issues related to Northern Natural's existing creditworthiness requirements, which Northern Natural asserts lack merit and should be dismissed as Northern Natural's credit practices are in conformance with Commission policy and Northern Natural's currently effective FERC Gas Tariff. Northern Natural states that if the creditworthiness issues raised by NMDG/MRGTF are not dismissed, then the Commission must make clear that NMDG/MRGTF bear the burden of proof, pursuant to section 5 of the NGA, to demonstrate that Northern Natural's existing creditworthiness tariff provisions are not just and reasonable and that the proposed changes by NMDG/MRGTF are just and reasonable.[20]

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[15] NMDG/MRGTF Protest at 7.

[16] *Id.* at 12-13.

[17] BCMSX Protest at 10-11.

[18] Northern Natural Answer at 6.

[19] *Id.* at 2.

[20] *Id.* at 8-10.

IV. Discussion

A. Procedural Issues

17. Pursuant to Rule 214,[21] all timely motions to intervene and any unopposed motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure prohibits an answer to a protest or an answer unless otherwise ordered by the decisional authority.[22] We accept Northern Natural's July 16, 2025 answer and LIUNA Councils' July 25, 2025 answer because they provide information that has assisted us in our decision-making process.

18. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure,[23] we grant LIUNA Councils' timely motion to intervene. Section 385.214(b)(2) states that a motion to intervene must state that the movant represents an interest which may be directly affected by the outcome of the proceeding.[24] Notwithstanding Northern Natural's opposition to LIUNA Councils' intervention, we find that good cause exists to grant their motion. We are satisfied that LIUNA Councils have expressed an interest in the outcome of this proceeding that is not represented by any other party[25] and that their participation may be in the public interest.[26] Accordingly, we grant LIUNA Councils' motion to intervene.

B. Substantive Issues

19. Our preliminary analysis indicates that Northern Natural's filing has not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful. Northern Natural's filing raises issues of material fact that cannot be resolved based on the record before us and that are more appropriately

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[21] 18 C.F.R. § 385.214.

[22] 18 C.F.R. § 385.213(a)(2) (2024).

[23] *Id*. § 385.214(c).

[24] *Id*. § 385.214(b)(2)(ii).

[25] LIUNA Councils July 14, 2025 Motion to Intervene at 1-2.

[26] 18 C.F.R. § 385.214(b)(2)(i), (ii); *see*, *e.g.*, *Fortistar N. Tonawanda LLC*, 181 FERC ¶ 61,224, at P 10 (2022); *Commonwealth Edison Co.*, 34 FERC ¶ 61,115, at 61,167-68 (1986).

addressed in the hearing ordered below. Accordingly, we will establish a hearing to explore the issues raised by the filing and protests,[27] including, but not limited to cost allocation, billing determinants, capital structure, depreciation rates, postage stamp rate design, and cost of capital. Furthermore, Northern Natural's *pro forma* Prospective Case proposal also raises issues appropriately considered at hearing. Therefore, both the Base Case and the Prospective Case proposals will be examined at hearing.

1. Hearing

20. For the reasons stated above, we (a) accept and suspend, subject to refund and the outcome of a hearing, the Base Case tariff records listed in Appendix A to be effective upon motion January 1, 2026, and (b) set the proposed language of the *pro forma* tariff records for the Prospective Case for hearing.

21. Northern Natural must adhere to section 154.303(c)(2) of the Commission's regulations which provides that, at the end of the test period, the pipeline must remove from its rates costs associated with any facility that is not in service or for which certificate authority is required but has not been granted.[28]

2. Suspension

22. Based upon a review of the filing, we find that Northern Natural's proposed tariff records referenced in Appendix A have not been shown to be just and reasonable, and may be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful. Accordingly, and as described in this order, we accept such tariff records for filing and suspend their effectiveness for five months, to be effective upon motion January 1, 2026, subject to refund and the outcome of the hearing established herein.

23. The Commission's policy regarding rate suspensions is that rate filings generally should be suspended for the maximum period permitted by statute where preliminary study leads the Commission to believe that the filing may be unjust, unreasonable, or that it may be inconsistent with other statutory standards.[29] The Commission has recognized,

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[27] We also set for hearing matters raised in protests regarding Northern Natural's existing tariff provisions, including concerns with credit requirements. However, protestors will have the burden of proof under section 5 of the NGA to demonstrate that Northern Natural's existing provisions are not just and reasonable and that protestors' proposed changes are just and reasonable. *See*, *e.g.*, *W. Res., Inc. v. FERC*, 9 F.3d 1568, 1579 (D.C. Cir. 1993); *N. Nat.*, 180 FERC ¶ 61,066 at P 15 n.23.

[28] 18 C.F.R. § 154.303(c)(2) (2024).

[29] *See Great Lakes Gas Transmission Co.*, 12 FERC ¶ 61,293 (1980) (five-month suspension).

however, that shorter suspensions may be warranted in circumstances where suspensions for the maximum period may lead to harsh and inequitable results.[30] Such circumstances do not exist here. Therefore, we exercise our discretion to suspend for the maximum period of five months the proposed tariff records referenced in Appendix A, to take effect upon motion on January 1, 2026, subject to refund and the outcome of the hearing established herein.

24. Northern Natural motioned "…to place the Base Case Tariff [records] into effect *at the expiration of any suspension period set by the Commission*, provided the Base Case Tariff [records] are approved as filed and without condition."[31] The Commission's regulations at 18 C.F.R. § 154.7(a)(9) provide two options regarding the filing of a motion to place suspended rates into effect pursuant to NGA section 4(e): (1) the pipeline may include in its filing a motion to place the proposed rates into effect, in the case of a minimal suspension, at the end of the suspension period or (2) reserve the right to file a later motion. Northern Natural includes with its filing a motion to place the proposed tariff provisions into effect at the end of any suspension period. Pursuant to 18 C.F.R. § 154.7(a)(9), such a motion only applies to minimal suspensions and cannot apply to five-month suspensions. Thus, the motion included in Northern Natural's filing is ineffective for purposes of moving the proposed tariff records into effect at the end of the suspension period. If and when Northern Natural decides to move the suspended tariff records into effect, it must do so consistent with 18 C.F.R. § 154.206(a).[32]

The Commission orders:

(A) The tariff records referenced in Appendix A are accepted and suspended for five months, to be effective upon motion January 1, 2026, subject to refund and the outcome of the hearing established herein, as discussed in the body of this order.

(B) The language of the *pro forma* tariff records for the Prospective Case is set for hearing, as discussed in the body of this order.

(C) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by section 402(a) of the Department of Energy Organization Act and the NGA, particularly sections 4, 5, 8, 9, and 15 thereof, and pursuant to the Commission's Rules of Practice and Procedure and the

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[30] *See Valley Gas Transmission, Inc.*, 12 FERC ¶ 61,197 (1980) (one-day suspension).

[31] Northern Natural Transmittal at 11 (emphasis added).

[32] *Am. Midstream (AlaTenn), LLC*, 149 FERC ¶ 61,123, at P 30 (2014); *N. Nat.*, 180 FERC ¶ 61,066 at P 20.

regulations under the NGA (18 C.F.R. Chapter I), a public hearing shall be held to determine the justness and reasonableness of Northern Natural's proposed tariff records, as discussed in the body of this order.

(D) A Presiding Administrative Law Judge, to be designated by the Chief Administrative Law Judge for that purpose pursuant to 18 C.F.R. § 375.304, shall, within 45 days of the date of the Presiding Administrative Law Judge's designation, convene a prehearing conference in these proceedings in a hearing room of the Commission, 888 First Street, NE, Washington, DC 20426, or remotely (by telephone or electronically), as appropriate. Such a conference shall be held for the purpose of establishing a procedural schedule. The Presiding Administrative Law Judge is authorized to establish procedural dates, and to rule on all motions (except motions to dismiss) as provided in the Commission's Rules of Practice and Procedure.

(E) Upon its motion to place suspended rates into effect, Northern Natural must remove facilities not in service before the effective date.

By the Commission.

(S E A L)

Debbie-Anne A. Reese,
Secretary.

Appendix A

Northern Natural Gas Company
FERC Gas Tariffs

Tariff Records Accepted and Suspended, to be Effective Upon Motion January 1, 2026, Subject to Refund and the Outcome of Hearing Procedures:

Docket No. RP25-989-001:

Section 1, Rate Schedule TF (2.1.0)

Docket No. RP25-989-000:

Section 2, Rate Schedule TFX (1.0.0)
Section 3, Rate Schedule GS-T (1.0.0)
Section 4, Rate Schedule TI (1.0.0)
Section 5, Rate Schedule SMS (1.0.0)
Section 6, Rate Schedules FDD, PDD and IDD (1.0.0)
Section 9, Map Indicator District Charges (2.0.0)

Appendix B

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List of Protestors and Abbreviations

Archer-Daniels-Midland Company

Atmos Energy Corporation, LLC

Black Hills Service Company, LLC, CenterPoint Energy Service Company, LLC, MidAmerican Energy Company, SEMCO Energy Gas Company, and the Xcel Energy Companies (collectively, BCMSX)

Constellation Energy Generation, LLC

Ethanol Products, LLC

Golden Spread Electric Cooperative, Inc. (Golden Spread)

Industrial Energy Consumers of America and Process Gas Consumers Group

BP Energy Company, Encore Energy Services, Inc., Hartree Partners, LP, and Shell Energy North America (US), L.P. (collectively, Indicated Shippers)

Northern Municipal Distributors Group (NMDG)[33] and Midwest Region Gas Task Force Association (MRGTF)[34]

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[33] Alton, Cascade, Cedar Falls, Coon Rapids, Emmetsburg, Everly, Gilmore, Graettinger, Guthrie Center, Harlan, Hartley, Hawarden, Lake Park, Manilla, Manning, Orange City, Osage, Preston, Remsen, Rock Rapids, Rolfe, Sabula, Sac City, Sanborn, Sioux Center, Tipton, West Bend, Whittemore, and Woodbine.

[34] Austin Utilities, Centennial Utilities, Community Utility Company, Dooley’s Natural Gas, Great Plains Natural Gas Company, Greater Minnesota Gas, Northwest Natural Gas Company, Sheehan’s Gas Company, Inc., and the cities of Hibbing, Hutchinson, New Ulm, Owatonna, Round Lake, Two Harbors, Virginia, and Westbrook, Minnesota; Midwest Natural Gas, Inc., and St. Croix Valley Natural Gas, Wisconsin; -and the cities of Fremont, Lyons, and Stromsburg, and the Village of Pender, Nebraska.

Appendix B

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List of Protestors and Abbreviations

Northern Natural Shipper Alliance [35]

Mieco LLC and Tenaska Marketing Ventures (collectively, the Northern Shipper Group)

Madison Gas and Electric Company; Minnesota Energy Resources Corporation, Wisconsin Gas LLC, and Wisconsin Electric Gas Operations; and Northern Illinois Gas Company d/b/a Nicor Gas Company (collectively, Upper Midwest Shipper Group)

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[35] Agropur, Big River United Energy, LLC, Cardinal FG Company, Dakota Ethanol, Gelita, GEVO, Highwater Ethanol, LLC, Little Sioux Corn Processors, LLC, Mayo Clinic, Rahr Corp., Siouxland Ethanol, LLC, St. Paul Park Refining Co, LLC, The Andersons, and World Fuel Services.

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G004/M-25-71 ☐Nonpublic ☒Public
Requested From: Travis R. Jacobson, Great Plains Natural Gas Date of Request: 8/11/2025
Type of Inquiry: Financial Response Due: 8/21/2025

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).
Assigned Analyst(s): John Kundert, Ashley Uphus
Email Address(es): john.kundert@state.mn.us, Ashley.Uphus@state.mn.us
Phone Number(s): 651-539-1740, 651-539-1787

ADDITIONAL INSTRUCTIONS:
Each response must be submitted as a text searchable PDF, unless otherwise directed. Please include the docket number, request number, and respondent name and title on the answers. If your response contains Trade Secret data, please include a public copy.

Request Number:	**18**
Topic:	NNG FERC Rate Case filed July 1, 2025
Reference(s):	Petition at 3.

Request:

1. Please provide an update as to the status of this proceeding.
2. Is Great Plains participating in this proceeding?
   What would be the impact on a residential customer bill assuming FERC agrees to a 35% across the board increase for NNG?

Response:

1. Northern Natural Gas's (NNG) recently filed rate case is in preliminary proceedings with settlement discussions ongoing.
2. Great Plains is participating in these proceedings through joint representation of small utilities and municipalities. Great Plains' analysis shows that a 35% increase in NNG's rates would represent a $72/year increase for a residential customer using 90 dk/year.

To be completed by responder

Response Date: August 21, 2025
Response by: Travis Jacobson, Vice President of Regulatory Affairs
Email Address: travis.jacobson@mdu.com
Phone Number: 701.222.7855

Department Exhibit 1
Docket No. G004/M-25-71
Great Plains Demand Entitlement Historical and Current Proposal

											Proposed As of 7/1/25			
Contract Type	2015-2016 Quantity (Mcf)	2016-2017 Quantity (Mcf)	2017-2018 Quantity (Mcf)	2018-2019 Quantity (Mcf)	2019-2020 Quantity (Mcf)	2020-2021 Quantity (Mcf)	2021-2022 Quantity (Mcf)	2022-2023 Quantity (Mcf)	2023-2024 Quantity (Mcf)	2024-2025 Quantity (Mcf)	2025-2026 Quantity (Mcf)	Change in Quantity (Mcf)	Change in Capacity (%)	Change in Design Day (%)
<u>VGT</u>														
FT-A (12-month)	13,000	13,000	13,000	18,000	18,000	18,000	18,000	21,291	21,291	21,291	21,291	-		
FT-A (5-month)	2,700	3,400	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-		
BP (5-month)	-	-	1,600	-	-	-	-	-	-	-	-	-		
Seasonal Capacity Release				(2,600)	(2,200)	(2,000)	-	(4,291)	(4,291)	(8,000)	(8,000)	-		
Total VGT	**15,700**	**16,400**	**16,600**	**17,400**	**17,800**	**18,000**	**20,000**	**19,000**	**19,000**	**15,291**	**15,291**	**-**		
<u>NNG</u>														
TFX (12-month)*	2,000	2,000	700	1,000	2,000	2,000	3,000	3,000	3,000	3,000	3,000	-		
TFX (5-month)	6,200	6,200	6,200	6,200	6,200	6,200	5,200	5,200	5,200	5,200	5,200	-		
TF12B	4,604	5,421	4,854	3,819	3,921	4,036	3,653	4,128	3,531	5,703	5,498	(205)		
TF12V	2,931	2,114	2,681	3,716	3,614	3,499	3,882	3,407	4,004	5,242	5,447	205		
TF5	3,410	3,410	3,410	3,410	3,410	3,410	3,410	3,410	3,410	-	-	-		
TFX (Capacity Release)	(1,300)	(1,300)	-	-	-	-	-	-	-	-	-	-		
Total NNG	**17,845**	**17,845**	**17,845**	**18,145**	**19,145**	**19,145**	**19,145**	**19,145**	**19,145**	**19,145**	**19,145**	**-**		
Total Entitlement	**33,545**	**34,245**	**34,445**	**35,545**	**36,945**	**37,145**	**39,145**	**38,145**	**38,145**	**34,436**	**34,436**	**-**	**0.00%**	**-9.43%**
Total Annual Transportation	**22,535**	**22,535**	**21,235**	**26,535**	**27,535**	**27,535**	**28,535**	**31,826**	**31,826**	**35,236**	**35,236**	**-**	**0.00%**	
Total Winter Only Transport	**11,010**	**11,710**	**13,210**	**9,010**	**9,410**	**9,610**	**10,610**	**6,319**	**6,319**	**(800)**	**(800)**	**-**	**0.00%**	
Percent of Winter Only Capacity	32.82%	34.19%	38.35%	25.35%	25.47%	25.87%	27.10%	16.57%	16.57%	-2.32%	-2.32%			

Source: Great Plains Exhibit B

Department Exhibit 2
Docket No. G004/M-25-71
Great Plains Demand Entitlement Analysis*

	Number of Firm Customers			Design-Day Requirement			Total Entitlement Plus Peak Shaving			Reserve Margin	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Heating Season	Number of Customers	Change from Previous Year	% Change From Previous Year	Design Day (Dth)	Change from Previous Year	% Change From Previous Year	Total Design-Day Capacity (Dth)	Change from Previous Year	% Change From Previous Year	Reserve (7) - (4)	% Reserve [(7)-(4)]/(4)
2025-2026	22,439	109	0.49%	31,892	214	0.68%	34,436	291	0.85%	2,544	7.98%
2024-2025	22,330	(2,375)	-9.61%	31,678	(3,297)	-9.43%	34,145	(4,000)	-10.49%	2,467	7.79%
2023-2024	24,705	(85)	-0.34%	34,975	(184)	-0.52%	38,145	0	0.00%	3,170	9.06%
2022-2023	24,790	72	0.29%	35,159	760	2.21%	38,145	(1,000)	-2.55%	2,986	8.49%
2021-2022	24,718	293	1.20%	34,399	477	1.41%	39,145	2,000	5.38%	4,746	13.80%
2020-2021	24,425	109	0.45%	33,922	(144)	-0.42%	37,145	200	0.54%	3,223	9.50%
2019-2020	24,316	76	0.31%	34,066	392	1.16%	36,945	1,400	3.94%	2,879	8.45%
2018-2019	24,240	243	1.01%	33,674	941	2.87%	35,545	1,100	3.19%	1,871	5.56%
2017-2018	23,997	184	0.77%	32,733	335	1.03%	34,445	200	0.58%	1,712	5.23%
2016-2017	23,813	(69)	-0.29%	32,398	131	0.41%	34,245	700	2.09%	1,847	5.70%
2015-2016	23,882	358	1.52%	32,267	1,143	3.67%	33,545	900	2.76%	1,278	3.96%
2014-2015	23,524	296	1.27%	31,124	1,691	5.75%	32,645	2,000	6.53%	1,521	4.89%
2013-2014	23,228	290	1.26%	29,433	339	1.17%	30,645	0	0.00%	1,212	4.12%
2012-2013	22,938	164	0.72%	29,094	158	0.55%	30,645	159	0.52%	1,551	5.33%
2011-2012	22,774	40	0.18%	28,936	(393)	-1.34%	30,486	(1,380)	-4.33%	1,550	5.36%
2010-2011	22,734	(2)	-0.01%	29,329	(515)	-1.73%	31,866	(1,170)	-3.54%	2,537	8.65%
2009-2010	22,736	85	0.38%	29,844	119	0.40%	33,036	(1,170)	-3.42%	3,192	10.70%
2008-2009	22,651	49	0.22%	29,725	(714)	-2.35%	34,206	0	0.00%	4,481	15.07%
2007-2008	22,602	1	0.00%	30,439	(406)	-1.32%	34,206	0	0.00%	3,767	12.38%
2006-2007	22,601			30,845			34,206			3,361	10.90%
Average			-0.04%			0.20%			0.07%		8.15%

	Firm Peak-Day Sendout			Per Customer Metrics			
	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Heating Season	Firm Peak-Day Sendout (Dth)	Change from Previous Year	% Change From Previous Year	Excess per Customer [(7) - (4)]/(1)	Design Day per Customer (4)/(1)	Entitlement per Customer (7)/(1)	Peak-Day Send per Customer (12)/(1)
2025-2026	unknown			0.1134	1.4213	1.5346	unknown
2024-2025	29,636	(447)	-1.49%	0.1105	1.4186	1.5291	1.3272
2023-2024	30,083	(603)	-1.97%	0.1283	1.4157	1.5440	1.2177
2022-2023	30,686	808	2.70%	0.1205	1.4183	1.5387	1.2378
2021-2022	29,878	(1,367)	-4.38%	0.1920	1.3917	1.5837	1.2088
2020-2021	31,245	2,794	9.82%	0.1320	1.3888	1.5208	1.2792
2019-2020	28,451	(1,869)	-6.16%	0.1184	1.4010	1.5194	1.1701
2018-2019	30,320	1,679	5.86%	0.0772	1.3892	1.4664	1.2508
2017-2018	28,641	112	0.39%	0.0713	1.3640	1.4354	1.1935
2016-2017	28,529	1,283	4.71%	0.0776	1.3605	1.4381	1.1980
2015-2016	27,246	(1,853)	-6.37%	0.0535	1.3511	1.4046	1.1409
2014-2015	29,099	1,406	5.08%	0.0647	1.3231	1.3877	1.2370
2013-2014	27,693	3,471	14.33%	0.0522	1.2671	1.3193	1.1922
2012-2013	24,222	5,513	29.47%	0.0676	1.2684	1.3360	1.0560
2011-2012	18,709	(4,269)	-18.58%	0.0681	1.2706	1.3386	0.8215
2010-2011	22,978	1,442	6.70%	0.1116	1.2901	1.4017	1.0107
2009-2010	21,536	(1,731)	-7.44%	0.1404	1.3126	1.4530	0.9472
2008-2009	23,267	540	2.38%	0.1978	1.3123	1.5101	1.0272
2007-2008	22,727	852	3.89%	0.1667	1.3467	1.5134	1.0055
2006-2007	21,875			0.1487	1.3648	1.5135	0.9679
Average			2.38%	0.1105	1.3502	1.4607	1.1201

*The Petition is the ninth in which the Company's South District and North District were combined based on the ruling in Docket No. G004/GR-15-879. The Department combined the districts for comparison.
Source: Great Plains Exhibit D

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce
Response Comments

Docket No. G004/M-25-71

Dated this **17th** day of **November 2025**

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Sasha	Bergman	sasha.bergman@state.mn.us		Public Utilities Commission		Electronic Service		Yes	M-25-71
2	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-71
3	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-71
4	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	M-25-71
5	Travis	Jacobson	travis.jacobson@mdu.com	Great Plains Natural Gas Company		400 N 4th St Bismarck ND, 58501 United States	Electronic Service		No	M-25-71
6	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	M-25-71
7	Kristin	Stastny	kstastny@taftlaw.com	Taft Stettinius & Hollister LLP		2200 IDS Center 80 South 8th Street Minneapolis MN, 55402 United States	Electronic Service		No	M-25-71