



September 20, 2021

**Via Electronic Filing**

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

Re: Small Gas Utility Exemption Request

Dear Mr. Seuffert:

Paul Bunyan Natural Gas, LLC, is hereby requesting a small gas utility exemption under MS216B.16 Subd 12. We currently serve the city of Walker, MN, and surrounding area. We currently serve 361 customers, 272 of which are within the city of Walker. We expect the total to grow to approximately 600 by the end of 2022.

Paul Bunyan Natural Gas (PBNG) was formed in 2020 as a joint venture between Northwest Natural Gas, LLC, and Northern Star Cooperative Services, Inc. Each entity owns a 50% share in PBNG. The company is governed by a five-member board of directors; each owner appoints two board members, and the fifth is selected by the four appointed members. Due to its small size, PBNG does not yet have any direct full-time employees; instead, day-to-day operations are performed primarily by employees of Northern Star Cooperative Services, Inc. Additional support and training is provided as-needed by employees of Gorham's, Inc, dba Northwest Gas. Labor costs from each company are billed to PBNG at cost plus a markup to cover benefits and other overhead.

Accompanying this letter are our franchise granted by the city of Walker and the City Council resolution requesting our exemption as a small gas utility.

We understand and will comply with the Commission's annual reporting requirements for exempt SGUs as established in its orders dated November 9, 2018, and September 7, 2021.

Thank You,

Rachel Sorrentino  
Paul Bunyan Natural Gas