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March 6, 2018

Mr. Daniel Wolf Executive Secretary Minnesota Public Utilities Commission 121 Seventh Place East, Suite 350 St. Paul, Minnesota 55101

RE: Commission Investigation into Natural Gas Utilities' Practices, Tariffs and Assignment of Cost Responsibility for Installation of Excess Flow Valves and Other Similar Gas Safety Equipment.

Docket Number No. G-999/CI-18-41

Dear Mr. Wolf:

Great Plains Natural Gas Co., a Division of MDU Resources Group, Inc. ("Great Plains") respectfully submits the following Comments in response to the February 6, 2018 Notice of Comment Period in the above referenced Docket.

Great Plains filed a petition for approval to revise its natural gas tariffs to comply with federal pipeline safety regulations requiring the installation of safety equipment in certain circumstances on August 18, 2017. This request was made in direct response to the Pipeline and Hazardous Materials Safety Administration's (PHMSA) amendment to 49 C.F.R. § 192.383 requiring natural gas utilities install an Electronic Flow Valve (EFV) on an existing service line upon request by a customer. Great Plains proposed to charge the actual cost of the installation to the customer requesting that an EFV be installed on an existing service line. The Commission approved Great Plains' petition as modified to require Great Plains to cover the cost of the EFV and any other plant placed in service to accomplish the installation of the EFV in its Order issued in Docket No. G-004/M-17-625. The Commission also required the Company to provide the customer requesting the installation of an EFV on an existing service line a detailed explanation of the installation costs including the identification of specific line time and the per hour rates that would be charged. Great Plains' revised its tariff accordingly in its compliance filing. Please see Exhibit A for the final tariff provision regarding the installation of an EFV on an existing service line.

Great Plains has not received a request to install an EFV on an existing service line to date. Great Plains is not aware of any gas-safety requirements that customers may request on the utility system between the main and the meter outlet into the customer's property other than the EFV.

Finally, Great Plains will offer its customers, including low income customers, a payment plan consisting of a twenty-five percent down payment and up to 24 monthly payments to lessen the upfront cost burden associated with installing an EFV on an existing service line.

In summary, Great Plains' authorized tariff recognizes the appropriate amount of installation costs that should be socialized among other customers or paid by the customer requesting an EFV be installed on an existing service line by socializing the cost of the EFV and any other plant placed in service to accomplish the installation of the EFV and charging the installation costs directly to the customer making the request.

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

Sincerely,

Ist Tamie A. Aberle

Tamie Aberle Director of Regulatory Affairs

cc: Brian M. Meloy

## GREAT PLAINS NATURAL GAS CO.



A Division of MDU Resources Group, Inc.

## State of Minnesota Gas Rate Schedule – MNPUC Volume 2

Section No. 6 Original Sheet No. 6-37

## **GENERAL Terms and Conditions**

28. EXCESS FLOW VALVE – In accordance with Federal Pipeline Safety Regulations 49 CFR 192.383, the Company will install an excess flow valve on an existing service line at the customer's request at a mutually agreeable date. At the time of the customer's request Great Plains will provide the customer with a detailed explanation of the estimated installation costs identifying specific line items and the per hour rates that the customer would be charged. The actual cost of the installation excluding the cost of the excess flow valve and any other physical property necessary to install the excess flow valve, will be assessed to the customer.

Date Filed:

February 16, 2018

Effective Date:

Service rendered on and

after January 29, 2018

Issued By:

Tamie A. Aberle

Director - Regulatory Affairs

Docket No.:

G004/M-17-625