

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

<b>IN THE MATTER OF THE APPLICATION ) OF MONTANA-DAKOTA UTILITIES CO., ) A DIVISION OF MDU RESOURCES ) GROUP, INC. FOR AUTHORITY TO ) INCREASE ITS ELECTRIC RATES )</b>	<b>ORDER GRANTING JOINT MOTION FOR APPROVAL OF SETTLEMENT STIPULATION  EL15-024</b>
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On June 30, 2015, the South Dakota Public Utilities Commission (Commission) received an application by Montana-Dakota Utilities Co. (MDU) for approval to increase rates for electric service to customers in its South Dakota service territory by approximately \$2.7 million annually or approximately 19.2% based on MDU's test year ending December 31, 2014 (Application). MDU states a typical residential electric customer using 854 kWh per month would see an increase of \$16.91 per month or 19.2 percent. The proposed changes may potentially affect approximately 8,600 electric customers in MDU's South Dakota service territory. MDU proposed an effective date of July 1, 2016.

On July 2, 2015, the Commission electronically transmitted notice of the Application and the intervention deadline of September 11, 2015, to interested individuals and entities on the Commission's PUC Weekly Filings listserv. No petitions to intervene were filed. One comment was filed.

On July 22, 2015, the Commission issued an Order Assessing Filing Fee and Suspending Operation of Proposed Rates. On November 23, 2015, MDU filed a Notice of Intent to Implement Interim Electric Service Rates effective for service on and after January 1, 2016. On May 20, 2016, a Joint Motion for Approval of Settlement Stipulation, Settlement Stipulation, and a Commission Staff Memorandum Supporting Settlement Stipulation were filed. On May 27, 2016, MDU filed its Notice to Customer of the Rate Increase. On June 6, June 9, and June 10, 2016, MDU filed tariff revisions.

The revised tariff sheets proposed by MDU, effective for service rendered on and after July 1, 2016, cancel and replace the entirety of the tariff formerly designated as State of South Dakota Electric Rate Schedule – SDPUC Volume No. 1. The replacement tariff is titled State of South Dakota Electric Rate Schedule – SDPUC Volume No. 2. The replacement tariff was filed as Exhibit A to the Settlement Stipulation with certain corrected sheets subsequently filed. The revised tariff sheets are as follows:

State of South Dakota Electric Rate Schedule – SDPUC Volume No. 2

Section No. 1

Original Sheet No. 1  
Original Sheet No. 1.1

Section No. 2

Original Sheet No. 1  
Original Sheet No. 1.1  
Original Sheet No. 1.2

Section No. 3

Original Sheet No. 1  
Original Sheet No. 2  
Original Sheet No. 3  
Original Sheet No. 3.1  
Original Sheet No. 4  
Original Sheet No. 5  
Original Sheet No. 5.1  
Original Sheet No. 5.2  
Original Sheet No. 6  
Original Sheet No. 7  
Original Sheet No. 8  
Original Sheet No. 8.1  
Original Sheet No. 9  
Original Sheet No. 9.1  
Original Sheet No. 10  
Original Sheet No. 10.1  
Original Sheet No. 10.2  
Original Sheet No. 11  
Original Sheet No. 12  
Original Sheet No. 13  
Original Sheet No. 13.1  
Original Sheet No. 14  
Original Sheet No. 14.1  
Original Sheet No. 15  
Original Sheet No. 15.1  
Original Sheet No. 15.2  
Original Sheet No. 16  
Original Sheet No. 16.1  
Original Sheet No. 16.2  
Original Sheet No. 17  
Original Sheet No. 18  
Original Sheet No. 19  
Original Sheet No. 19.1  
Original Sheet No. 20  
Original Sheet No. 21  
Original Sheet No. 21.1  
Original Sheet No. 22  
Original Sheet No. 23  
Original Sheet No. 24  
Original Sheet No. 24.1  
Original Sheet No. 25  
Original Sheet No. 25.1  
Original Sheet No. 26  
Original Sheet No. 27  
Original Sheet No. 27.1  
Original Sheet No. 27.2  
Original Sheet No. 28  
Original Sheet No. 28.1  
Original Sheet No. 29

Original Sheet No. 30  
Original Sheet No. 31  
Original Sheet No. 32  
Original Sheet No. 33  
Original Sheet No. 34  
Original Sheet No. 35  
Original Sheet No. 35.1  
Original Sheet No. 36  
Original Sheet No. 36.1  
Original Sheet No. 37  
Original Sheet No. 37.1

Section No. 4

Original Sheet No. 1

Section No. 5

Original Sheet No. 1  
Original Sheet No. 1.1  
Original Sheet No. 1.2  
Original Sheet No. 1.3  
Original Sheet No. 1.4  
Original Sheet No. 1.5  
Original Sheet No. 1.6  
Original Sheet No. 1.7  
Original Sheet No. 1.8  
Original Sheet No. 2  
Original Sheet No. 3  
Original Sheet No. 4  
Original Sheet No. 5  
Original Sheet No. 6  
Original Sheet No. 7  
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Original Sheet No. 10  
Original Sheet No. 10.1  
Original Sheet No. 10.2  
Original Sheet No. 10.3  
Original Sheet No. 10.4  
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Original Sheet No. 10.25  
Original Sheet No. 10.26  
Original Sheet No. 10.27  
Original Sheet No. 10.28  
Original Sheet No. 10.29  
Original Sheet No. 10.30  
Original Sheet No. 10.31  
Original Sheet No. 11  
Original Sheet No. 12  
Original Sheet No. 12.1  
Original Sheet No. 12.2  
Original Sheet No. 13  
Original Sheet No. 14  
Original Sheet No. 15  
Original Sheet No. 15.1  
Original Sheet No. 15.2

Section No. 6

Original Sheet No. 1  
Original Sheet No. 2  
Original Sheet No. 2.1  
Original Sheet No. 3  
Original Sheet No. 4  
Original Sheet No. 5  
Original Sheet No. 6  
Original Sheet No. 7  
Original Sheet No. 8  
Original Sheet No. 9  
Original Sheet No. 10  
Original Sheet No. 11  
Original Sheet No. 11.1  
Original Sheet No. 12  
Original Sheet No. 13  
Original Sheet No. 14  
Original Sheet No. 15  
Original Sheet No. 15.1

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-34A, specifically, 1-26-20, 49-34A-3, 49-34A-6, 49-34A-8, , 49-34A-8.4, 49-34A-10, 49-34A-11, 49-34A-12, 49-34A-13, 49-34A-13.1, 49-34A-14, 49-34A-17, 49-34A-19, 49-34A-19.1, 49-34A-19.2, and 49-34A-21.

The Joint Motion for Approval of Settlement Stipulation was noticed for Commission consideration and action at its regularly scheduled meeting on June 7, 2016. The Commission

heard from MDU and Commission Staff concerning the Joint Motion for Approval of Settlement Stipulation and the related Settlement Stipulation. Having thoroughly reviewed the filings in the docket and made further inquiry of the parties, the Commission found that the terms and conditions proposed in the Settlement Stipulation were just, reasonable, and in the public interest and that good and sufficient cause was demonstrated to approve the Settlement Stipulation. The Commission voted unanimously to grant the Joint Motion for Approval of Settlement Stipulation and approve the Settlement Stipulation, including the attached Interim Refund Plan. It is therefore

ORDERED, that the Joint Motion for Approval of Settlement Stipulation is granted and the Settlement Stipulation, including the attached Interim Refund Plan, is approved. The Settlement Stipulation is incorporated by reference into this Decision and Order the same as if it had been set forth in its entirety herein. It is further

ORDERED, that the tariff sheets set forth above are approved for service rendered on and after July 1, 2016.

Dated at Pierre, South Dakota, this 15<sup>th</sup> day of June, 2016.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.
By: <u>Karen E. Bremer</u>
Date: <u>June 15, 2016</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson

CHRIS NELSON, Chairman

Kristie Fiegen

KRISTIE FIEGEN, Commissioner

Gary Hanson

GARY HANSON, Commissioner