



Gary Hanson, Chairperson
Chris Nelson, Vice Chairperson
Kristie Fiegen, Commissioner

South Dakota

PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue
Pierre, South Dakota 57501-5070
www.puc.sd.gov

Capitol Office
(605) 773-3201
1-866-757-6031 fax

Grain Warehouse
(605) 773-5280
(605) 773-3225 fax

Consumer Hotline
1-800-332-1782

NG13-006

2-1) Explain what the NNG fuel rate is. Is it a % of gas price or is it a fuel use rate due to fuel retention?

The NNG Fuel rate is a percent of gas price and represents the lost and unaccounted gas on their system.

2-2) Per the response to data request 1-2, what all is included, facilities, pipes, etc., in the per foot unit price A&G?

A&G consists of Customer Accounts and Customer Service expenses (FERC 902-909), as well as A&G expenses (920-935). A&G expense primarily includes labor, office supplies, outside services, property insurance, benefits, and advertising. The total for these FERC accounts is then divided by the total feet of pipe as reported in the annual DOT Form 7100 to arrive at the cost per foot.

2-3) Does the pressure within the pipeline and/or the size of the pipe impact the rate allocated to A&G? If yes explain how it does. If no explain why it does not.

A&G expenses are not allocated according to pipe size or pressure as the nature of these costs do not have a correlation to pipe size or pressure.