

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

IN THE MATTER OF THE FILING BY)	ORDER APPROVING
MONTANA-DAKOTA UTILITIES CO., A)	AMENDMENT TO
DIVISION OF MDU RESOURCES GROUP, INC.)	CONTRACT WITH
FOR APPROVAL OF AN AMENDMENT TO A)	DEVIATIONS
CONTRACT WITH DEVIATIONS WITH MORRIS)	
ASPHALT, INC.)	NG01-005

On May 11, 2001, the Public Utilities Commission (Commission) received a filing by Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (MDU), requesting approval of its Section No. 3, 3rd Revised Sheet No. 30.1 cancelling 2nd Revised Sheet No. 30.1 and Section No. 4, 9th Revised Sheet No. 1 cancelling 8th Revised Sheet No. 1 of MDU's State of South Dakota Gas Rate Schedule. According to the application, MDU has entered into an Amendment No. 3 to the Letter Agreement with Morris Asphalt, Inc. (Morris) originally approved in Docket NG96-010. The Amendment extends the term for natural gas service to Morris' asphalt facility located at Ft. Pierre, SD, at a rate that deviates from the currently authorized Rate 66 applicable to all MDU natural gas service customers in the East River Natural Gas System. The Amendment provides for the sale of natural gas to Morris at a rate equal to the price of gas, pipeline charges stated at a 100% load factor basis and a distribution charge of 32.1 cents per dk. The Amendment extends the original contract term. MDU requested that the proposed contract be approved by May 25, 2001, in order to effectively serve the customer. The company further requested waivers of the 30 days notice to the Commission required by ARSD 20:10:13:15 and 30 days notice to the public required by 20:10:13:17.

On May 22, 2001, at its regularly scheduled meeting, the Commission considered the request for approval of an Amendment to the Contract with Deviations. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-6, 49-34A-8, 49-34A-10, and 49-34A-11. Further, the Commission finds that the request for approval of an Amendment to the Contract with Deviations is just and reasonable and shall be approved, and that the Amendment to the Contract and the tariff sheets shall be modified to include a November 16, 2011, termination date. As the Commission's final decision in this matter, it is therefore

ORDERED, that as of May 25, 2001, the request seeking approval of an Amendment to the Contract with Deviations is in the public interest and is hereby granted, subject to MDU and Morris modifying and subsequently submitting the Amendment No. 3 and the tariff sheets with a November 16, 2011, termination date; and it is further

ORDERED, that a waiver of the notice requirements of ARSD 20:10:13:15 and 20:10:13:17 shall be granted; and it is further

ORDERED, that the above-mentioned tariff sheets, as modified, are approved and are effective for service rendered on and after May 25, 2001.

Dated at Pierre, South Dakota, this 30th day of May, 2001.

CERTIFICATE OF SERVICE

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, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: *Dellaine Kelbo*

Date: 5/30/01

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner