



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

January 9, 2013

Mr. Robert Nelson
Montana Consumer Counsel
111 North Last Chance Gulch, Suite 1B
PO Box 201703
Helena, MT 59620-1703

Re: General Gas Rate Application
Docket No. D2012.9.100

Dear Mr. Nelson:

Montana-Dakota Utilities Co. electronically submits its responses to the Montana Consumer Counsel's data requests dated November 30, 2012. Responses to the following requests are attached:

MCC-095
MCC-119

This completes all outstanding data requests.

Sincerely,

A handwritten signature in black ink that reads "Tamie A. Aberle".

Tamie A. Aberle
Director of Regulatory Affairs

Attachments
cc: Service List

Montana-Dakota Utilities Co.
Docket No. D2012.9.100
Service List

Ms. Kate Whitney, Administrator
Utility Division
Montana Public Service Commission
1701 Prospect Avenue
PO Box 202601
Helena, MT 59620-2601
kwhitney@mt.gov

Robert Nelson
Montana Consumer Counsel
111 North Last Chance Gulch, Suite 1B
PO Box 201703
Helena, MT 59620-1703
robnelson@mt.gov

John Alke
40 West Lawrence, Suite A
PO Box 1166
Helena, MT 59624-1166
johnalke@hksalaw.com

Albert E. Clark
2871 S Conway Rd. 127
Orlando, FL 32812
aclark154@cfl.rr.com

John W. Wilson
J W Wilson & Associates
1601 N Kent Ste. 1104
Arlington, VA 22209
john@jwwa.com

**MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100**

**MCC-095 RE: Distribution Operations
Witness: Jay Skabo**

In reference to your testimony at page 1, lines 10-12: Please explain in detail how the company's large and small interruptible customer loads, which account for approximately one-third of total Montana gas deliveries, are considered in designing the distribution system and other facilities and in acquiring supply resources.

Response:

The distribution system is designed based on the total load anticipated to be delivered through the system in order to ensure the system is capable of meeting the maximum demand on the system without harm to the firm service customers. However, Montana-Dakota does require customers with loads greater than 2,500,000 BTU per hour to consult with the Company to determine if firm service is available. In the event of distribution system pressure issues associated with high use or due to a system emergency, the interruptible service customers are available to interrupt in order to avoid the loss of service to an entire small community in some instances or portions of a larger city.

Montana-Dakota's purchase of gas supply for the small and large interruptible classes of customers is based on historical usage of the individual or class of customers. The supply of gas that the customer uses may be a combination of flowing supply through flexible contracts and/or a supply of natural gas withdrawn from storage. When contracting for pipeline capacity to meet the demand for Montana-Dakota's customers during peak day conditions, the Company contracts or acquires pipeline capacity to meet the demand of the firm class of customers only. During peak day conditions Montana-Dakota requests that all small and large interruptible customers to cease using natural gas.

Interruptible service transportation customers are subject to interruption for any distribution system constraint described above and additionally if the transportation customer's gas supply purchased from a third-party supplier cannot be delivered to Montana-Dakota's system due to gas supply or interstate pipeline constraints.

**MONTANA-DAKOTA UTILITIES CO.
MONTANA CONSUMER COUNSEL
DATA REQUEST
DATED NOVEMBER 30, 2012
DOCKET NO. D2012.9.100**

**MCC-119 RE: Exhibit No.__(TAA-6)
Witness: Tamie A. Aberle**

Please explain in detail how the “Daily Base Use” value of 0.04849 shown on the DDSM Bill Comparison (Exhibit No.__(TAA-6)) is calculated. Please also provide all work papers and supporting documents.

Response:

The daily base use value is the same value used in the normalization process underlying the normalized volumes provided in Statement H. The daily base use was derived based on a regression model using 36-months of actual residential Rate 60 sales and actual heating degree days. Microsoft Excel statistical functions were used to determine the customers’ non-heating and heating use billing determinants. The baseload (or non-temperature sensitive use) was calculated using the intercept function. The intercept function identifies the point at which a line will intersect the y-axis (or the dependent variable axis, i.e. gas use), when the independent variable (i.e. degree days) is 0 by using the two data sets’ history. In other words, the intercept function identifies the use that would still exist if the average temperature was equal to or greater than 60 degrees. Please see the Statement and Exhibit Workpapers, Statement H, page 22.