# South Dakota regulators to evaluate NorthWestern Energy's proposed natural gas rate hike



State Public Utilities Commission (PUC) regulators will spend six months evaluating NorthWestern Energy’s proposed 9% increase in natural gas rates. NorthWestern's proposal could cost the average residential customer in South Dakota an additional $8.38 monthly, resulting in an extra $100.56 per year. The increase aims to generate $6 million in annual revenue. NorthWestern provides natural gas to roughly 50,000 customers in South Dakota and also supplies electricity, having received approval for an 11% electricity rate hike earlier this year.

The PUC delayed the rate hike to allow time for thorough review. If unresolved within six months, the proposed rates can be implemented on an interim basis, subject to refund if subsequently revised. Additionally, the PUC will charge NorthWestern up to $250,000 for the review process. NorthWestern last raised natural gas rates in 2011, citing investments and inflation as reasons for the new increase.

In a separate matter, the Iowa Utilities Board, now known as the Iowa Utilities Commission (IUC), recently approved Summit Carbon Solutions' use of eminent domain for a carbon dioxide pipeline in Iowa. Opposition has come from multiple groups, including the Sierra Club and local politicians, citing environmental and land use concerns. Summit plans to extend its pipeline system by 341 miles, pending individual permits for each extension. The company must hold public informational meetings across 23 counties in late August before proceeding with landowner negotiations. Summit's ultimate goal is to transport carbon dioxide from ethanol producers in five states to North Dakota for underground storage.