

Memorandum

To: Darrell Nitschke, Executive Secretary

From: Mike Diller, Advocacy Staff



Date: November 12, 2015

RE: Response to MDU's Compliance Filing
Case No. PU-15-90

On November 9, 2015 Montana-Dakota Utilities Co. (MDU) filed gas tariffs and supporting work papers in compliance with the commission's Order dated November 4, 2015. Staff has reviewed the filing to ensure that the new tariffs will increase revenues by \$2.56 million as ordered by the commission and that changes in the tariff language are reasonable and appropriate. Staff believes that MDU's filing complies with the commission's Order and recommends approval of the tariffs.

In addition, MDU proposed several different options for the commission to consider concerning the communication of the elimination of the Delivery Charge as ordered by the commission. Staff believes that Option 4 depicted on Exhibit A alone in the form of a bill message is the best choice. We think Options 1 through 3 will lead to customer confusion and negate some of the transparency that has been achieved through the commission's straight-fixed variable rate order for residential customers.

Attached is a proposed Motion to approve the tariffs and bill messaging Option 4.

cc: Tamie Aberle

MOTION

November 18, 2015

**Montana-Dakota Utilities Co., a Division of
MDU Resources Group, Inc.
Natural Gas Service Rate Increase
Application**

Case No. PU-15-90

I move the Commission approve the tariffs filed November 9, 2015 to comply with the Commission's November 4, 2015 Findings of Fact, Conclusions of Law and Order concerning Montana-Dakota Utilities Co's Natural Gas Service Rate Increase Application and Bill Message Option 4, Case No. PU-15-90.

JRL