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January 12, 2018

Darrell Nitschke  
Public Service Commission;  
600 East Boulevard Avenue, Dept. 480  
Bismarck, ND 58505-0480



**Re: Montana Dakota Utilities Co.  
2017 Natural Gas Rate Increase  
Case No: PU-17-295**

Dear Mr. Nitschke:

Enclosed for filing is Montana-Dakota's Motion for Continuance in regard to the above referenced case.

If you have any questions, please feel free to give me a call.

Sincerely,

Paul R. Sanderson

Enclosure

cc: ALJ Ward  
Counsel

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Public Service Commission            )**  
**Montana-Dakota Utilities Co.        )**  
**2017 Natural Gas Rate Increase     )**  
**Siting Application                    )**

**Case No. PU-17-295**

**MOTION FOR CONTINUANCE OF HEARING**

Pursuant to N.D. Admin. Code § 69-02-04-03 and N.D.C.C. § 28-32-21, Applicant Montana-Dakota Utilities, Co., a Division of MDU Resources Group, Inc., moves the Commission for a continuance of the February 28, 2018, hearing scheduled in this matter. Montana-Dakota’s Motion is being made to allow it and the other parties the opportunity to consider the implications that the Tax Cuts and Jobs Bill Act of 2017 (“Tax Reform”), signed on December 22, 2017.

On December 29, 2017, Advocacy Staff issued a “Request to Initiate Investigation Into the Effects of Tax Reform and for Accounting Treatment”. See Ex. A (PSC Case No. PU-17-490). It is Advocacy Staff’s understanding that many of the provisions of the Tax Reform went into effect on January 1, 2018. Id. Among other things, the Tax Reform lowers the corporate income tax rates from 35% to 21% beginning in the 2018 tax year. Id. As part of electric and gas ratemaking, corporate income tax is a component of determining just and reasonable rates to be borne by the consumer. Id. In its Request, Advocacy Staff believed the passage of the Tax Reform may have an effect on currently pending rate cases and requested the Commission issue an Order that jurisdictional investor-owned public utilities operating in the State, including Montana-Dakota, provide information regarding the effects of the Tax Reform on their rates. Id.

On January 10, 2018, the Commission issued an Order initiating the investigation into the effects of the Tax Reform as requested by Advocacy Staff. See Exhibit B

(Commission's Order Initiating Investigation). As part of the Commission's Order, jurisdictional investor-owned public utilities operating in the State, including Montana-Dakota, shall file with the Commission by February 15, 2018, information regarding the impact of Tax Reform with supporting calculations. Id.

Under N.D. Admin. Code § 69-02-04-03, the Commission may grant a continuance of a hearing, after scheduled, for "good cause". Montana-Dakota submits good cause exists to continue the Hearing scheduled in the case for February 28, 2018, to allow for all parties to consider the implications of the recently enacted Tax Reform on the pending rate case. Montana-Dakota will not have information available to fully reflect the impacts associated with the Tax Reform until late February 2018.

Montana-Dakota has been in contact with Advocacy Staff's Counsel, Mitch Armstrong, to discuss the Motion for Continuance. Advocacy Staff supports Montana-Dakota's Motion for Continuance to allow it time to investigate the implications of Tax Reform on the current rate case. While Montana-Dakota has not reached out to the Intervenors regarding the Continuance, it does not anticipate any objection as the Tax Reform will most likely reduce rates in this case.

If the Motion for Continuance is granted, Montana-Dakota believes it would likely be ready to reschedule the Hearing in May or June, depending on schedules. If granted, Montana Dakota would also request amending the current scheduling order to permit new expert disclosures and discovery regarding the Tax Reform implications.

Customers will not be harmed by this delay as the rates currently collected on an interim basis are subject to refund allowing the effects of the Tax Reform to be afforded to customers as of the effective date of the Tax Reform or January 1, 2018.

For the foregoing reasons, Montana-Dakota respectfully requests the Commission grant its Motion for Continuance of the February 28, 2018, hearing scheduled in this matter to allow it and the other parties the opportunity to consider the implications that the Tax Cuts and Jobs Bill Act of 2017.

Dated this 12th day of January, 2018.

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STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION

Public Service Commission )  
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Case No. PU-17-295

AFFIDAVIT OF MAILING

STATE OF NORTH DAKOTA )  
 ) ss.  
COUNTY OF BURLEIGH )

The undersigned, being duly sworn, deposes and says that: I am a United States citizen, over 18 years of age, and on January 12, 2018, I served a copy of the attached:

**Motion for Continuance of Hearing**

by placing a true copy in a postage paid envelope or envelopes addressed to each person named below, at the address stated below, which is the last known address of the addressee, and by depositing said envelope in the United States mail at Bismarck, North Dakota.

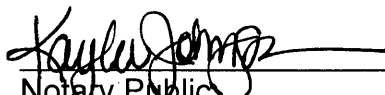
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Deb Roffler

Subscribed and sworn to before me, today, January 12, 2018.

  
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Notary Public

