

STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co., a Division of  
MDU Resources Group, Inc.  
2017 Natural Gas Rate Increase  
Application

Case No. PU-17-295

ORDER ON INTERIM RATES  
February 27, 2018

On July 21, 2017, Montana-Dakota Utilities Co., a Division of MDU Resources (MDU) filed with the Commission to increase its rates for natural gas service. Based on a projected 2018 test year MDU requested an increase in annual revenue collections of \$5.9 million, or 5.4 percent. MDU also applied for an interim rate increase at the same time.

On August 16, 2017, the Commission suspended the rates.

On August 29, 2017, Commission Advocacy Staff filed a response to the interim rate request recommending approval.

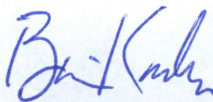
On September 6, 2017, the Commission approved an interim increase in annual revenues of \$4.6 million, or 4.2 percent. When applied to the non-fuel portion of the bill, the effective interim increase to customers is 12.486 percent.

On February 14, 2018, MDU filed a petition to reduce interim rates to conform to the federal Tax Cut & Jobs Act, which reduced the federal corporate income tax rate from 35 percent to 21 percent for the top bracket. MDU proposes to reduce the interim increase in annual revenue from \$4.6 million to 2.7 million: a reduction of approximately \$1.8 million. When applied to the non-fuel portion of the bill, the effective interim increase to customers will be reduced from 12.486 percent to 7.357 percent.


Order

The Commission orders Montana-Dakota Utilities' request to decrease interim rates APPROVED.

PUBLIC SERVICE COMMISSION



Brian Kroshus  
Commissioner



Randy Christmann  
Chairman



Julie Fedorchak  
Commissioner