

February 15, 2018

Executive Secretary
North Dakota Public Service Commission
State Capitol Building
Bismarck, ND 58505-0480

Re: Rate Impact and Accounting Treatment Investigation
Tax Cuts and Job Act of 2017

Great Plains Natural Gas Co. – Initial Comments
Case No. PU-17-490

Great Plains Natural Gas Co., a Division of MDU Resources Group, Inc., (Great Plains), herewith provides its initial comments pursuant to the North Dakota Public Service Commission's Order Initiating Investigation dated January 10, 2018.

Great Plains appreciates the opportunity to provide a summary of its review of the 2017 Tax Cuts and Jobs Act signed into law on December 22, 2017 (TCJA) and findings thus far. The primary impacts of the TCJA to Great Plains' natural gas rates in North Dakota are the same in nature as those described in Montana-Dakota Utilities Co.'s response and will not be repeated here.

Great Plains proposes to address the effects of the TCJA as part of the pending natural gas rate case submitted on February 3, 2017 (Case No. PU-17-075). The pending rate case was submitted in compliance with the Commission's Order issued in Case No. PU-16-604. The natural gas rates proposed in Case No. PU-17-075 were designed to produce the same level of distribution revenues as the currently authorized distribution rates. The request was revenue neutral however, Great Plains proposed to modify the rate forms, update the cost of gas, extension policy, meter testing policy and its terms and conditions of service as the current rates and tariffs were established decades ago.

The preliminary tax savings under the TCJA for Great Plains in North Dakota is estimated to be approximately \$200,000. The Company will submit a proposal as part of the pending rate case to address the impacts of the TCJA by April 15, 2018.

Great Plains appreciates the Commission's consideration of options for finding a fair and equitable basis for reflecting the TCJA in customer rates and the time necessary to make a determination of the changes given the timing of TCJA enactment and the work necessary to determine year end results that formed the basis for the proposals to be submitted.

If you have any questions regarding these comments, please contact me, at (701) 222-7856 or tamie.aberle@mdu.com.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tamie A. Aberle". The signature is written in a cursive, flowing style.

Tamie A. Aberle
Director of Regulatory Affairs

cc: Karl Liepitz
Garret Senger