

May 6, 2019

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

Re: Update Tariff and Rate Schedules and
Tax Cuts and Jobs Act Refund
Compliance Filing
Case Nos. PU-17-075 and PU-17-490

Great Plains Natural Gas Co. (Great Plains), a Division of Montana-Dakota Utilities Co., herewith submits an original and seven (7) copies of its Refund Compliance Report in the above referenced cases.

On February 3, 2017, Great Plains filed an Application, in Case No. PU-17-075, to update its natural gas rates and tariffs in Compliance with the North Dakota Public Service Commission's (Commission) Order in Case No. PU-16-604 regarding natural gas transportation service and requiring Great Plains to file update tariffs and rate schedules for all classes of customers. On January 10, 2018, the Commission issued an Order Initiating Investigation to determine the effects of the Tax Cuts and Jobs Act of 2017 (TCJA) on Great Plains and other jurisdictional utilities in Case No. PU-17-490. On October 19, 2018, Great Plains and the Commission Advocacy Staff filed a Settlement Agreement, incorporating changes from both the Company's 2017 Application and the effects of the TCJA. On January 9, 2019, the Commission approved the Settlement Agreement. On January 23, 2019, the Commission approved the Company's updated rates to be effective February 1, 2019 and a refund plan whereby customers who were billed for natural gas service during the January 2018 through January 2019 time frame (i.e. refund period) were to receive a one-time bill credit to be applied to customers' accounts no later than April 15, 2019. The total amount to be refunded to customers was \$241,111.

As shown in Attachment A, page 1, a refund rate was determined for the firm and interruptible sales classes based on the January 2018 through January 2019 consumption. The refund rates were then applied to each customer's refund period consumption to determine each customer's refund bill credit.

On April 12, 2019, a total of \$241,115 was refunded through a bill credit to active customer accounts or checks issued if the account was inactive and the refund was \$5.00 or greater in accordance with the Company's Refund Plan. The remaining balance of (\$4) is the net amount associated with inactive customer accounts where the refund was less than \$5.00 and the difference due to rounding. A breakdown of the refund by rate class is shown in Attachment B.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

Sincerely,



Tamie A. Aberle
Director of Regulatory Affairs

Attachments

cc: K. Lieptiz

**Great Plains Natural Gas Co.
Gas Utility - North Dakota
Estimated Tax Act Refund by Rate Class
(based on Total Revenues excluding Transportation & Other Revenues) 1/
January 1, 2018 through January 31, 2019**

Firm	Total Revenue	Net Refund 2/	Interest 3/	Total Refund	Dk	Estimated Refund/Dk
Firm	<u>\$2,432,558</u>	<u>\$95,632</u>	<u>\$1,430</u>	<u>\$97,062</u>	<u>364,611.4</u>	<u>\$0.2662</u>
Interruptible	<u>3,610,178</u>	<u>141,927</u>	<u>2,122</u>	<u>144,049</u>	<u>866,305.6</u>	<u>\$0.1663</u>
Total North Dakota	<u><u>\$6,042,736</u></u>	<u><u>\$237,559</u></u>	<u><u>\$3,552</u></u>	<u><u>\$241,111</u></u>	<u><u>1,230,917.0</u></u>	

1/ As stated in Refund Plan, page 1, paragraph 2: "enable the refunding of 4.0 percent of the total revenues collected from customers, excluding transportation or other revenues, starting January 1, 2018 up to the date of implementation of new rates." New rates were implemented February 1, 2019.

2/ 4% of Total Revenues less non-plant EDIT balance of \$4,152 allocated to rate class based on percentage of Total Revenues.

3/ Interest applied to average beginning balance at 3 month Treasury bill rate.

Great Plains Natural Gas Co.
Gas Utility - North Dakota
Calculation of Interest on 2018 Tax Refund Amount
Case Nos. PU-17-075 and PU-17-490

	Net Revenue	Beginning Refund Balance	4% Refund	Non-Plant EDIT 1/	Net Refund	Interest on Refund Balance 2/	Refund Balance
January 2018	\$704,142	\$0	\$28,166	\$346	\$27,820	\$0	\$27,820
February	650,522	27,820	26,021	346	25,675	18	53,513
March	702,189	53,513	28,088	346	27,742	58	81,313
April	487,391	81,313	19,496	346	19,150	99	100,562
May	379,860	100,562	15,194	346	14,848	141	115,551
June	217,614	115,551	8,705	346	8,359	171	124,081
July	211,441	124,081	8,458	346	8,112	196	132,389
August	223,348	132,389	8,934	346	8,588	217	141,194
September	194,299	141,194	7,772	346	7,426	243	148,863
October	169,000	148,863	6,760	346	6,414	272	155,549
November	433,835	155,549	17,353	346	17,007	296	172,852
December	738,725	172,852	29,549	346	29,203	324	202,379
January 2019	930,372	202,379	37,215		37,215	371	239,965
February		239,965				441	240,406
March		240,406				480	240,886
April		240,886				225	241,111
	<u>\$6,042,738</u>		<u>\$241,711</u>	<u>\$4,152</u>	<u>\$237,559</u>	<u>\$3,552</u>	

1/ Non-plant EDIT blance of \$4,152 / 12 months
2/ Interest applied to average beginning balance.

Great Plains Natural Gas Co.
Gas Utility - North Dakota
Summary of TCJA Refund Applied April 12, 2019
Case Nos. PU-17-075 and PU-17-490

Rate Class	Total Amount to be Refunded	Refund via		Total Amount Refunded	Amount due to Inactive Accts < \$5 and Difference due to Rounding	Average Customers
		Bill Credit	Check			
Firm Rate 65	\$97,062	\$92,776	\$4,272	\$97,048	\$14	2,261
Interruptible Sales Rate 71	144,049	144,067		144,067	(18)	19
Total North Dakota	\$241,111	\$236,843	\$4,272	\$241,115	(\$4)	2,280