

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co. / Great Plains
Holding Company Structure
Application

Case No. PU-18-75

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **28th** day of **June 2018**, she deposited in the United States Mail, at Bismarck, North Dakota, **four** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of

- **Order**

The envelopes were addressed as follows:

Daniel Kuntz
Vice Pres., Gen. Counsel and Secretary
MDU Resources Group, Inc.
PO Box 5650
Bismarck, ND 58505-5650
Cert. No. 7017 2400 0001 0889 8928

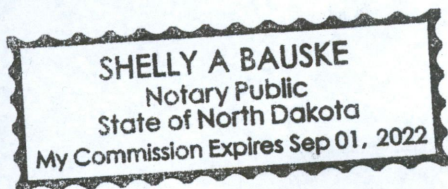
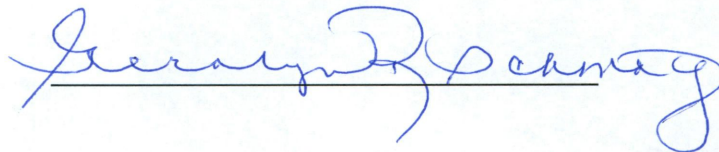
Adrienne Riehl
Counsel
MDU Resources Group, Inc.
PO Box 5650
Bismarck, ND 58505-5650
Cert. No. 7017 2400 0001 0889 8935

Garret Senger
Exec. V.P. Regulatory Affairs, Customer
Service & Gas Supply
Montana-Dakota Utilities Co./Great Plains
400 North 4th Street
Bismarck, ND 58501
Cert. No 7017 2400 0001 0889 8942

Tamie Aberle
Director of Regulatory Affairs
Montana-Dakota Utilities Co.
400 North 4th Street
Bismarck, ND 58501
Cert. No. 7017 2400 0001 0889 8959

The address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **28th** day of **June 2018**.



SEAL



Notary Public

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Montana-Dakota Utilities Co. / Great Plains
Holding Company Structure
Application**

Case No. PU-18-75

ORDER

June 27, 2018

On January 31, 2018, Montana-Dakota Utilities Co. (Montana-Dakota) and Great Plains Natural Gas Company (Great Plains) filed an application to implement a plan of reorganization through which Montana-Dakota and Great Plains, currently operating divisions of MDU Resources Group, Inc. (MDU Resources), will become a wholly-owned subsidiary of a newly formed holding company. The operations of Great Plains will be conducted as a division of Montana-Dakota. The applicants contend that the new holding company will:

- Increase the degree of financial separation between MDU Resources and its other regulated and non-regulated affiliates and reduce financial and legal risk;
- Not alter the Commission's ability to effectively regulate the utility operations;
- Continue to provide safe and reliable electric and natural gas service to customers;
- Create a more transparent business structure that is more understandable to stakeholders and customers;
- Offer flexibility for the public utility business to separately access capital markets.
- Not result in employment changes.
- Not result in changes to currently effective electric and natural gas service rates.

On April 11, 2018, the Commission issued a Notice of Opportunity for Hearing, which provided until May 31, 2018 for receiving written comments and hearing requests. The notice identified the issue to be considered in this case is whether the holding company structure is in the public interest.

On June 13, 2018, an informal hearing was held to discuss the application.

The Commission finds that the Holding Company Corporate Structure Application is in the public interest. The reorganization will create legal separation from the parent company and result in a more secure utility operation. The legal separation will allow the utility to separately access capital markets; protect ratepayers from non-regulated financial risks; and will make the allocation of corporate wide services and costs easier to track and review.

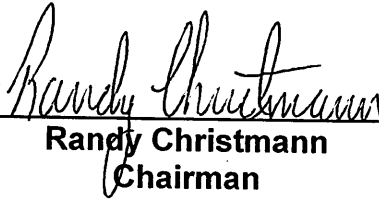
Order

The Commission Orders the application of Montana-Dakota and Great Plains to become a wholly-owned subsidiary of a newly-formed holding company is APPROVED.

PUBLIC SERVICE COMMISSION



Brian Kroshus
Commissioner



Randy Christmann
Chairman



Julie Fedorchak
Commissioner