



705 West Fir Ave.
Mailing Address:
P.O. Box 176
Fergus Falls, MN 56538-0176
1-877-267-4764

June 13, 2019

Mr. Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147

RE: *In the Matter of Great Plains Natural Gas Co.'s Revenue Decoupling Mechanism Rates and Decoupling Evaluation Report for Year 2 (2018) of the Pilot Program. Docket No. G004/M-19-198.*

Reply Comments of Great Plains Natural Gas Co.

Dear Mr. Wolf:

Great Plains Natural Gas Co. ("Great Plains"), a Division of Montana-Dakota Utilities Co., herewith electronically submits its Reply Comments in response to the Department of Commerce's ("Department") June 3, 2019 Comments submitted in the above referenced docket.

On page 17 of its Comments, the Department makes the following recommendations regarding the Company's Year 2 Evaluation Report:

- Approve the RDM factors presented in Great Plains' March 8, 2019 updated filing;
- Approve the proposed tariff changes as presented in Great Plains' March 8, 2019 updated filing; and
- Allow Great Plains to continue its RDM Pilot for calendar year 2019.

Great Plains agrees with each of the Department's recommendations noted above.

The Company also wants to take this opportunity to briefly respond to the Department's concerns as they relate to the Company's commitment to energy

conservation as noted in the discussion on pages 6 through 13 of the Department's Comments.

Great Plains is committed to achieving its CIP goals and continues to encourage customers to invest in energy savings measures and participate in the Company's CIP rebate programs. Great Plains is a small gas distribution company; however, the Company offers a very robust CIP program that includes a majority of the prescriptive rebates outlined in the MN TRM. As noted by the Department, Great Plains' CIP annual program results vary significantly due to the reliance on large custom projects that are required to meet the Company's annual energy savings goal.

Great Plains continues to promote its CIP offerings and is currently evaluating marketing enhancements to increase customer awareness. However, no process modifications have been implemented that would lead to a reduction in CIP participation. Great Plains agrees with the Department that implementation of a decoupling mechanism will not lead directly to energy conservation. Customer participation is required for CIP expenditures and energy savings to occur and as shown by the CIP results, Great Plains' customer participation has not increased despite the Company's ongoing efforts to promote the programs. In Great Plains' opinion the low cost of natural gas, while a tremendous benefit to customers, does impede a customer's decision to replace equipment to the extent payback periods are extended.

Great Plains appreciates the opportunity to provide Reply Comments in response to the Department's Comments and again reiterates the Company's support of the Department's recommendations as well as its commitment to energy conservation.

Sincerely,

/s/ Tamie. A. Aberle

Tamie A. Aberle
Director of Regulatory Affairs

cc: Brian Meloy
Service List