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March 31, 2017

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

RE: *Petition for Approval of Great Plains Natural Gas Co. Annual Gas Affordability Program Report, Docket No. G004/M-17-_____*

Dear Mr. Wolf:

Great Plains Natural Gas Co. (Great Plains), a Division of MDU Resources Group, Inc., herewith electronically files its Calendar Year 2016 Gas Affordability Program (GAP) Report in compliance with the Minnesota Public Utilities Commission's Order issued in Docket No. G-004/M-16-275.

If you have any questions regarding this filing, please contact me at (701) 222-7856, or Brian Meloy, Stinson Leonard Street, LLP, 150 South Fifth Street, Suite 2300, Minneapolis, MN 55402, (612) 335-1451.

Sincerely,

/s/ Tamie Aberle

Tamie A. Aberle
Director of Regulatory Affairs

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange	Chair
Dan Lipschultz	Vice Chair
Matt Schuerger	Commissioner
John Tuma	Commissioner
Katie Sieben	Commissioner

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In the Matter of the Petition of Great)	
Plains Natural Gas Co.'s Gas for)	Docket No. G004/M-17-_____
Approval of the 2016 Gas Affordability)	
Program Report)	
)	

SUMMARY OF FILING

Great Plains Natural Gas Co., (Great Plains) a Division of MDU Resources Group Inc. submits this Petition for approval of the 2016 Gas Affordability Program (GAP) Report in compliance with Minnesota Statute § 216B.16, Subd. 15 and Orders issued by the Minnesota Public Utilities Commissions in Docket Nos. G-004/M-07-1235, G-004/M-15-306, and G-004/M-16-275. Great Plains respectfully requests that the Commission accept its 2016 Gas Affordability Program Report as in compliance with its directives.

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange	Chair
Dan Lipschultz	Vice Chair
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In the Matter of the Petition of Great
Plains Natural Gas Co.'s Gas for
Approval of the 2016 Gas Affordability
Program Report

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) Docket No. G004/M-17-_____
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**PETITION FOR APPROVAL OF GREAT PLAINS NATURAL GAS CO.'S GAS
AFFORDABILITY PROGRAM REPORT FOR PROGRAM YEAR 2016**

I. INTRODUCTION AND SUMMARY

Great Plains Natural Gas Co. (Great Plains) a Division of MDU Resources Group Inc. hereby submits this Petition to the Minnesota Public Utilities Commission (Commission) for approval of Great Plains' Gas Affordability Program Report for calendar year 2016 pursuant to Minnesota Statute § 216B.16, Subd. 15 and Orders issued by the Commissions in Docket Nos. G-004/M-07-1235, G-004/M-15-306 and G-004/M-16-275.

II. BACKGROUND

Great Plains' Gas Affordability Program (GAP) was approved by the Commission in Docket No. G004/M/07-1235 by Order issued on May 12, 2008 and Order issued on September 29, 2015 in Docket No. G-004/M-15-306 extending GAP through program year 2016. In Docket No. G-004/M-16-275 the Commission Ordered Great Plains to continue to file a compliance report by March 31 of each year, and program evaluations periodically. On June 1, 2016 Great Plains filed its Gas Affordability Program Evaluation Report, Docket No.

G-004/M-16-495. On June 13, 2016 the Minnesota Department of Commerce requested a six month deferment to consider the Gas Affordability Program evaluation. On July 27, 2016, the Commission issued its *Order Extending Expiration Date of Gas Affordability Programs* extending the termination date of Great Plains' GAP to June 30, 2017. As of the date of this filing, Great Plains' Evaluation Report filed in the Docket G-004/M-16-495 remains pending before the Commission.

Great Plains' GAP is available to those customers who (1) have been qualified and receive assistance from the Low Income Home Energy Assistance Program (LIHEAP); (2) agree to be placed on a levelized payment plan; and (3) agree to a reasonable payment schedule. The GAP is designed to assist qualified low-income residential customers manage and pay their natural gas bills through the establishment of a new affordability bill credit and arrearage forgiveness in certain circumstances.

Great Plains' Affordability Component consists of a bill credit available to Qualified Customers to help offset the costs of natural gas service. The bill credit is equal to one-twelfth of the difference between Great Plains' estimate of the Qualified Customer's annual gas bill and 4 percent of the Qualified Customer's household income as provided by the Qualified Customer to Great Plains.¹ The LIHEAP benefit received by the customer is also considered in determining applicability of the Affordability component.

The Arrearage Forgiveness Component of Great Plains' GAP consists of a monthly credit that is applied each month after receipt of the Qualified Customer's payment. The credit

¹ Pursuant to the Commission's Order issued in G-004/M-10-322 on September 30, 2010, Great Plains was authorized to lower the income threshold to qualify for the Affordability Component to 4 percent. Effective with applications received for Program Year 2011, the 4 percent income threshold was utilized to determine if a customer qualifies for the Affordability Component.

is designed to retire arrears over a period of up to twenty-four months, with Great Plains matching the Qualifying Customer's contribution to retiring arrears. Any energy assistance payments not applied to arrears will be applied to a Qualified Customer's current bill.²

Through Program Year 2010, Great Plains administered its own GAP, while working actively with community action partnership agencies. This required Great Plains to review current billing and consumption information, approved LIHEAP benefits and household income information submitted to Great Plains to determine a Qualified Customer's payment schedule amount.³ Effective with Program Year 2011, Great Plains entered into an agreement with West Central MN Communities Action, Inc. (West Central) to serve as the third-party administrator of its GAP. The Commission approved West Central as the third-party administrator of Great Plains' GAP by Order dated March 30, 2011. In November 2014, Great Plains' signed an agreement with The Salvation Army, Roseville, Minnesota to administer Great Plains' GAP. Great Plains advised the Commission of this change in its compliance filing submitted on January 16, 2015 in Docket No. G-004/M-07-1235.

III. GENERAL FILING INFORMATION

Pursuant to Minn. Rules Part 7825.1300, Subpart 3, Great Plains provides the following general information:

Utility:	Great Plains Natural Gas Co. A Division of MDU Resources Group, Inc.
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² Great Plains maintains service and suspends collection activities to Qualified Customers if they continue to make payments under their payment schedule. If a Qualified Customer fails to pay two consecutive monthly payments in full under the Program, they are terminated from the Program and subject to Great Plains' regular collection practices, including the possibility of disconnection.

³ A Qualified Customer's payment schedule includes both payment of the customer's current month's bill (which reflects one-twelfth the levelized payment plan), after inclusion of the affordability bill credit, and payment of a portion of the Qualified Customers pre-program arrears.

Company's Attorney:	Brian M. Meloy Stinson Leonard Street 150 South 5 th Street, Suite 2300 Minneapolis, MN 55402 Telephone: 612-335-1451
Date of Filing	March 31, 2017
Proposed Effective Date	May 31, 2017
Controlling Statute for Time in Processing the Filing	NA
Utility personnel authorizing the filing and to whom copies of correspondence, pleadings and notices should be sent	Tamie A. Aberle Director of Regulatory Affairs Great Plains Natural Gas Co. 400 North 4 th Street Bismarck, ND 58501

IV. DESCRIPTION OF FILING

A. Petitioner

Great Plains is a Minnesota public utility as defined in Minn. Stat. § 216B.02, Subd. 4 and operates as a Division of MDU Resources Group Inc. Great Plains is engaged in business as a natural gas local distribution company serving 18 communities in Minnesota and one community in North Dakota. Great Plains currently provides natural gas utility service to approximately 21,731 Minnesota customers and 2,220 customers in North Dakota.

B. Annual GAP Reporting Requirements

In its May 12 Order approving Great Plains' GAP, the Commission directed Great Plains to provide the following information in its annual GAP Reports:

- (1) An evaluation of the assumed GAP participation rate of five percent in light of actual participation in the Program;
- (2) The actual annual average cost per participant for the Program, and to provide a discussion concerning any deviation of the actual annual average cost per participant compared to the assumed average annual cost per participant of \$555; and
- (3) The Company's conclusion regarding the reported evaluation data, together with the Company proposal concerning the GAP on a going forward basis.

Subsequently, in its November 18 Order, the Commission required all gas utilities to file additional data in their annual GAP Reports, including:⁴

- A. *Customer Payment Frequency:* A comparison of the payment frequency for customers in GAP to payment frequency before they were enrolled in GAP, plus a comparison of the payment frequency for GAP participants to the payment frequency for LIHEAP grant recipients. Great Plains was allowed to provide data based on a random sample of ten percent of their GAP customers and an equal number of LIHEAP customers.
- B. *Disconnection:* The percentage of GAP customers disconnected compared to the percentage of all firm customers disconnected, in addition, a comparison of the percentage of GAP customers disconnected to the percentage of disconnected LIHEAP customers that do not participate in GAP.
- C. *Payment Amount:* The average annual and monthly bill credit amount in the utility's annual GAP reports. In addition, a comparison of these amounts to the average GAP participant's annual and average monthly bill and arrearage amount.
- D. *Customer Payment History:* The number of GAP participants that paid their bills in full each month before and during their participation in the GAP. In addition, information about the number of customers that made partial or no payments.

⁴ Great Plains' GAP Tariff similarly requires Great Plains to provide information regarding "the effect of the GAP on customer payment frequency, payment amount, arrearage level and number of customers in arrears, service disconnections, retention rates, customer complaints and utility customer collection activity. The annual reports may also include information about customer satisfaction with the GAP."

Great Plains was allowed to provide data based on a random sample of ten percent of their GAP customers.

- E. *Arrearage level*: The change in the arrearage level for the average GAP customer compared to the LIHEAP customers that are not enrolled in the GAP and the arrearage level for all of the utility's residential customers. Great Plains was allowed to provide data based on a random sample of ten percent of their GAP customers and an equal number of LIHEAP customers.
- F. *Coordination with the other available low-income bill payment assistance and conservation resources*: Information relating to how each utility has coordinated its GAP with other available low income and conservation resources naming the agencies the utility has coordinated with, how the utility has communicated with those agencies during the year, the content of those communications, and what was accomplished in terms of coordination.

With respect to reporting requirements A, D, and E above, the Commission required Great Plains to randomly sample 10 percent of its GAP customers (and, where comparison to a larger group of its customers is required, to sample an equal number of the utility's other customers).

In its September 22, 2010 *Order Accepting Gas Affordability Programs Reports, Deferring Action on Another, and Requiring Further Action*, the Commission directed all gas utilities to provide information on GAP complaints in their annual GAP Reports.

In its December 29, 2011 *Order Accepting Gas Affordability Programs Reports and Requiring Further Action*, the Commission directed all gas utilities to implement an application processing goal, assess periodically whether the use of their third-party administrator is the most effective and efficient arrangement, require the third-party administrator to make the GAP application available on their web site, provide reminders to GAP participants when payments are missed and cross-promote GAP with other programs.

In its September 25, 2013 Order, the Commission required the gas utilities to include a summary schedule with their annual gas affordability filing that included detailed information

ranging from the average annual affordability benefit received per customer to the GAP tracker balance as of year-end.

In its November 26, 2014 Order, the Commission directed Great Plains to continue to file annual GAP compliance reports by March 31 of each year, and to include the following information in its next report:

- An update on the number of customers enrolled and participating in the program.
- An update on Great Plains' negotiations with potential alternative administrators for its gas affordability program, and the associated benefits and costs.
- Outreach methods that Great Plains has employed, or could employ, to increase participation in the program.

In its September 29, 2015 Order, the Commission directed Great Plains to:

- 1) Explain why the Company does not assess the GAP surcharge against Interruptible Sales and Transportation Customers.
- 2) Provide a proposal evaluating cost allocation methods for its GAP program.
- 3) The recalculated surcharge for various alternatives if Interruptible Sales and Transportation Customers were included.

In compliance with the Commission's directives, Great Plains provides its Calendar Year 2016 Gas Affordability Program Report covering the period January 1, 2016 through December 31, 2016. Great Plains addresses the requirements of each of the six Commission Orders in turn.

V. 2016 ANNUAL GAP REPORT

A. May 12, 2008 Order Reporting Requirements.

1. An evaluation of the assumed GAP participation rate.

In calendar year 2016, Great Plains received 355 GAP applications representing a decrease of 19 percent from calendar year 2015, while LIHEAP Applications submitted in 2016 for Great Plains' customers decreased 5.5 percent from the number of LIHEAP

applications in 2015. Of the 355 applications received, 48 customers were ultimately enrolled in GAP – qualifying for an affordability credit and/or arrearage forgiveness credit. Factors contributing to the number of applicants not qualifying for GAP in 2016 include 1) the lower cost of gas, which is down an average of 12% from 2015, and 2) lower annual consumption due to warmer than normal weather and/or conservation efforts both resulting in a lower annual gas bill. The lower bills coupled with the LIHEAP benefit resulted in the number of customers applying for but not qualifying for an affordability credit.

In program year 2016, the vast majority of customers did not have an arrears balance outstanding after applying the LIHEAP benefits and therefore would not qualify for the arrearage forgiveness portion of the program. Qualifying applicants not eligible for the affordability credit or the arrearage forgiveness credit were however offered the option to enter into a levelized payment plan.

The number of participants qualifying for benefits under GAP represents .02 percent of the Company's total residential customers, which is down from 1% in both program years 2015 and 2014. Three percent of Great Plains customers applied for and qualified for LIHEAP in 2016.

A review of the source of the applications based on a coding system used to track applications indicates the majority of the responses (95.2 percent) were in response to the letters Great Plains sent directly to customers qualifying for LIHEAP in the prior season, 1.4 percent of the applications were distributed by the third party administrator, 1.7 percent were printed from the 3rd party administrators website with the source of the remaining 1.7 percent of the submitted applications being Great Plains' website.

2. Actual annual average cost per participant.

Great Plains collected \$0 from customers for GAP funding for the period January 1, 2016 through December 31, 2016 as authorized by the Commission.⁵ Bill credits and arrearage forgiveness amounts totaling \$4,548.67 were issued to participating customers during program year 2016, and actual program costs in program year was \$7,298.67 (inclusive of the \$4,548.67 issued to customers).

This is a decrease of approximately 82 percent from the amount of GAP credits and arrearage forgiveness dollars expended in 2015. The actual 2016 average cost per participant, qualifying for credits under the Program was \$94.76 compared to the original assumed average annual cost per participant of \$555. This difference is attributed primarily to the number of customers that do not enter the program with arrears and the number of customers that continue to exceed the current household income requirement because of lower natural gas bills in 2015.

In program year 2016, 12 percent of customers applying for GAP had an arrears balance at the time of application (prior to applying LIHEAP funds) compared to 41 percent of customers with an arrears balance coming into program year 2015. The total arrears balance owing after applying LIHEAP funds for qualified customers in 2016 program year equaled \$1,439.94 for 6 accounts compared to an arrears balance owing of \$9,594.68 associated with the 53 accounts in program year 2015. The average annual arrearage

⁵ The GAP surcharge was set to \$0.0 per dk effective with service rendered on and after October 19, 2012 pursuant to the Commission's Order issued on October 15, 2012. Great Plains was authorized to continue the GAP program in the Order issued on November 26, 2014, granting a two year extension of Great Plains' pilot Gas Affordability Program until December 31, 2016, and authorizing Great Plains to continue the GAP surcharge of \$0.0 per dk through the end of the 2016 program year.

forgiveness benefit received per customer was \$31.85 in the 2016 program year compared to \$57.74 in program year 2015.

Great Plains had 14 customers that were enrolled in the program that stopped making the required payments or moved out of Great Plains' service area and 6 customers requested cancellation of the program resulting in 28 customers enrolled in the program at the end of program year 2016. The Salvation Army was operating as Great Plains' third party administrator in program year 2016. Finally, the GAP fund balance as of end of program year 2016 was \$14,577.73.

3. Company's conclusion regarding the reported evaluation data.

Great Plains implemented a number of significant changes to its GAP beginning in late 2010, including (1) lowering the income threshold to qualify for the Affordability Component from 6 percent to 4 percent; (2) working with the Commission's Consumer Affairs Office (CAO) in developing and implementing a comprehensive GAP outreach plan and refining the GAP application; and (3) negotiation of an agreement to have West Central act as a third-party administrator of Great Plains' GAP beginning in 2011.⁶ Great Plains selected The Salvation Army as the third party administrator for program years 2015, 2016 and 2017 and along with The Salvation Army, Great Plains will continue to promote GAP.

Program year 2016 has shown a significant drop in customers applying for and ultimately qualifying for the GAP program. Factors such as lower gas prices and lower consumption has contributed to applicants' average annual natural gas bill dropping from

⁶ Under the Agreement, West Central, with support from the Minnesota Office of Energy Programs, will: (a) actively inform LIHEAP applicants of the Company's GAP and the potential benefits of the program; (b) determine customer GAP eligibility based upon Great Plains' Commission-approved GAP Tariff, (c) work with customers to establish monthly bill and the applicable monthly GAP credit; (d) transmit information regarding monthly average bill amount and applicable credit to Great Plains; (e) promote the GAP in conjunction with Great Plains, and (f) provide customer support to customers regarding GAP.

\$803.30 in 2015 program year to \$594.58 in 2016. GAP participants' reduction in dollars in arrears coming into the program year 2016 was also significantly lower at \$1,439.94 compared to \$9,594.68 in 2015, which also eliminated most of the arrears forgiveness component of GAP.

Great Plains found it very challenging to qualify applicants into the program for either the affordability credit or the arrears forgiveness. Two-hundred and sixty-six or 75% of the applicants were denied entry into the 2016 program because the customers did not meet the criteria. This trend is continuing in 2017.

In preparation for this report, detailed account information was reviewed for both GAP qualified customers and customers that received LIHEAP benefits. Great Plains will implement an additional process effective immediately for the program year 2017 to identify all Great Plains customers that are receiving LIHEAP benefits effective October 1, 2016, and are identified as being in arrears. This group of customers will be contacted by Great Plains personnel to discuss GAP and encourage customer to submit an application. Targeting this group of customers may provide the opportunity to improve the number of customers that would qualify for the arrears forgiveness portion of Great Plains' GAP, dependent on responses to this outreach.

B. November 18, 2009 Order Reporting Requirements.

1. Customer Payment Frequency

Great Plains reviewed all customer accounts that qualified for GAP in program year 2016 rather than reviewing the approved 10% sampling approved in the November 18 Order. Great Plains also random sampled the same number of customers that qualified for LIHEAP, but not participating in GAP.

As a means of measuring the payment frequency of the two customer groups, the number of payments was compared to the number of bills issued during the period January 1, 2016 through the end of 2016. The results from the program year 2016 indicate that the number of payment occurrences as a percentage of bills issued for the GAP participant group was 70 percent. The number of payment occurrences as a percentage of bills issued for the LIHEAP group not participating in GAP was 37 percent for the same time period, indicating a benefit associated with GAP.

2. Disconnection

A review of customer accounts disconnected because of non-payment in 2016 revealed that a total of 669 accounts were disconnected for non-payment. This included 2 customers receiving GAP credits and 156 customers receiving LIHEAP within the calendar year. LIHEAP accounts were not disconnected at the time when LIHEAP benefits were available. The percentage of GAP customers disconnected as compared to the total customers disconnected was 4.17 percent. The percentage of LIHEAP customers not participating in GAP disconnected compared to the number of all firm customers disconnected was 10.68 percent, indicating a benefit associated with GAP.

3. Payment Amount

The total funds disbursed in 2016 totaled \$4,548.67 for an average annual benefit of \$94.76 per participant qualifying for an affordability credit or arrearage forgiveness. The average GAP participant's annual natural gas bill was \$594.58 or \$49.55 per month compared to \$803.30 or \$66.94 per month on average in 2015 representing a decrease of 26 percent.

4. Customer Payment History

Based on the GAP participants, approximately 90 percent of the sample group either paid their monthly bill in full while participating in GAP or had a credit balance owing on the account. In contrast, 83 percent of sample group of applicants that qualified for LIHEAP, but not GAP, in current program year paid their bill in full monthly or had a credit balance in program year 2016.

5. Arrearage Level

Five of the 2016 GAP participants were in arrears averaging \$165.68 as of December 2016 as compared to average arrears per accounts as of December 2016 for all other customers of \$184.36. The sampled LIHEAP customers in program year 2016, not participating in GAP, had an average outstanding debt of \$114.19 as of December 31, 2016.

6. Coordination with other available low-income bill payment assistance and conservation resources

Great Plains regularly coordinates with the following agencies providing bill payment assistance in the Great Plains' service area.

- Tri-Valley Opportunity Council, Inc.
- West Central Minnesota Communities Actions, Inc.
- Prairie Five Community Action Council, Inc.
- Western Community Action Partnership
- Mahube-Otwa Community Action Partnership, Inc.
- Renville County Energy Assistance Program

As noted above, Great Plains entered into an agreement with West Central to serve as the third-party administrator of its GAP beginning in 2011. Effective with program year 2015, The Salvation Army began serving as Great Plains' third-party administrator of GAP. Great Plains also continues to work with each of the other agencies providing assistance in its service

territory to ensure customers are aware of the GAP by advising the agencies of the availability of the program via written and oral communication and providing GAP application forms to the agencies to provide to Great Plains customers. Such applications were submitted to The Salvation Army, who coordinated with Great Plains and the various agencies. Great Plains believes that the coordination with these agencies continues to promote the awareness of and interest in the GAP.

C. September 22, 2010 Order Reporting Requirements.

1. GAP Complaints

Pursuant to the Commission's Order issued on September 22, 2010, Great Plains reports that no complaints were received from the Commission.

D. December 29, 2011 Order Reporting Requirements.

1. Application Processing Goal

Great Plains has implemented a goal of processing ninety-five percent of all complete gas affordability program applications within thirty days of receipt and in calendar year 2016 all applications were processed within 30 days of receipt.

2. Third-Party Administrator Evaluation

Great Plains changed its GAP administrator for program year 2015 in an attempt to garner more interest in the program and take advantage of the expanded capabilities of The Salvation Army.

3. GAP Application Availability

The Salvation Army, Great Plains' third party administrator in program year 2016, did make the GAP application available electronically on their website. Great Plains also provides information on its website regarding the program as well as the application form.

4. Reminder After Missed Payment

Great Plains made contact with its GAP customers after one missed payment as a reminder of the payment requirements for the program. However, fourteen customers were removed from GAP due to failure to make their scheduled payments.

5. Cross Promotion of Gap

Great Plains has included information regarding GAP on its website and in bill inserts along with bill payment and conservation program information. Great Plains' credit representatives are also promoting GAP when working with Great Plains' customers regarding credit situations. Great Plains will continue to look for ways to inform customers of the availability of the program.

E. September 25, 2013 Order Reporting Requirements.

In its September 25, 2013 Order, the Commission required the gas utilities to include a summary schedule with their annual gas affordability filing that included the following information:

	2016 Program Year
1.) Average annual affordability benefit received per customer.	\$99.04
2.) Average annual arrearage forgiveness benefit received per customers.	\$31.85
3.) Percentage of LIHEAP customer that participated in GAP. 1/	3.18%
4.) Disconnection rates:	
a.) Of GAP customers	4.17%
b.) Of LIHEAP-non GAP customers	10.68%
c.) Non-LIHEAP (All firm customer including C&I)	2.40%
5.) Number of GAP participants enrolled as of year-end.	28
6.) Number of GAP Participants enrolled and receiving benefits at some time during the year.	48
7.) Annual program budget.	\$50,000
8.) Actual program revenue.	\$0
9.) Actual program costs.	\$7,298.67
10.) GAP tracker balance as of year-end	\$14,577.73
11.) GAP rate-affordability surcharge (\$/therm).	\$0

1/ In addition to the 3.18%, 18.21% of customers receiving LIHEAP completed the GAP application however did not qualify for either the arrears forgiveness or affordability credit.

F. November 26, 2014 Order Reporting Requirements.

1. Within 10 days, submit revised tariff sheets continuing Great Plains' pilot gas affordability program for an additional two years.

Great Plains submitted the required compliance tariff sheets as shown in the acknowledgement of compliance submission receipt dated February 3, 2015.

2. Make an informational filing notifying the Commission if Great Plains changes its program administrator or makes a significant change in its outreach program.

In Great Plains' January 16, 2015 filing in Docket No. G004/M-07-1235, the Company advised the Commission that The Salvation Army of Roseville, MN will be the third party administer of GAP starting in program year 2015.

3. Continue to file annual GAP compliance reports by March 31 of each year, and include the following information in its next report:

- a. An update on the number of customers enrolled and participating in the program.

Great Plains enrolled a total of 48 customers in GAP for program year 2016.

At the end of program year 2016 Great Plains had 28 customers enrolled in GAP.

- b. An update on Great Plains' negotiations with potential alternative administrators for its gas affordability program, and the associated benefits and costs.

Great Plains advised the Commission in the January 16, 2015 filing that Great Plains signed a contract with The Salvation Army of Roseville, MN to administer GAP for program year 2015. To date, Salvation Army is processing all applications for Great Plains' GAP in a timely manner, have posted the GAP application on their website and are promoting and fielding applications and calls regarding GAP for application year 2015, 2016 and will continue through program year 2017.

- c. Outreach methods that Great Plains has employed, or could employ, to increase participation in the program.

Great Plains outreach efforts include: Direct mailing to all customers that received heating assistance in previous heating season, posting of application on Great Plains and third party administrator websites, billing inserts to customers advising of GAP running monthly throughout the winter season, providing information regarding where to apply and contact information for questions. Information and applications forms were also provided to all energy assistance agencies in Great Plains' service territory and Great Plains has adopted the practice to discuss GAP with customers that apply for the Cold Weather Rule protection.

VI. The Proposal

Great Plains respectfully requests that the Commission accept its 2016 Calendar Year Gas Affordability Program Report as in compliance with its May 12, 2008, November 18, 2009, September 22, 2010, December 29, 2011, October 5, 2012, September 25, 2013, and November 26, 2014 Orders issued in Docket Nos. G-004/M-07-1235, G-004/M-15-306 and

G004/M-16-275. While Great Plains' June 1, 2016 Evaluation Report remains pending, Great Plains will continue to administer its GAP in accordance with the Commission's July 27, 2016 *Order Extending Expiration Date of Gas Affordability Programs* issued in Docket No. G-004/M-16-495.

Dated: March 31, 2017

Respectfully Submitted,

/s/ Tamie Aberle

Tamie Aberle
Director of Regulatory Affairs
Great Plains Natural Gas Co.
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Bismarck, ND 58501