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April 2, 2018

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-18-_____*

Dear Mr. Wolf:

Great Plains Natural Gas Co. (Great Plains), a Division of MDU Resources Group, Inc., herewith electronically files its Calendar Year 2017 Gas Affordability Program (GAP) Report in compliance with the Minnesota Public Utilities Commission's Order issued in Docket No. G-004/M-17-254.

If you have any questions regarding this filing, please contact me at (701) 222-7856, or Brian Meloy at (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

In the Matter of the Petition of Great Plains Natural Gas Co.'s Gas for Approval of the 2017 Gas Affordability Program Report))) Docket No. G004/M-18-_____)))
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SUMMARY OF FILING

Great Plains Natural Gas Co., (Great Plains) a Division of MDU Resources Group Inc. submits this Petition for approval of the 2017 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, G-004/M-16-275 and G-004/M-17-254. Great Plains respectfully requests that the Commission accept its 2017 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 2017 Gas Affordability Program Report)	
)	
)	Docket No. G004/M-18-_____
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PETITION FOR APPROVAL OF GREAT PLAINS NATURAL GAS CO.'S GAS AFFORDABILITY PROGRAM REPORT FOR PROGRAM YEAR 2017

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 2017 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, G-004/M-16-275 and G-004/M-17-254.

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. On May 22, 2017, The Commission issued an Order in Docket No. G-004/M-16-495. In this docket the Commission Ordered that Great Plains start reporting its GAP performance based on one-hundred percent of customers enrolled in both LIHEAP and GAP and one-hundred percent of customers only enrolled in LIHEAP. The Commission also approved Great Plains request to reinstate a GAP surcharge at the Company's requested level of \$0.01393 per dekatherm effective with service rendered on June 1, 2017 in Docket No. G-004/M-16-495. The Commission advised that Great Plains GAP programs should continue with no expiration date.

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 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,

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.

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.

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.
Company's Attorney:	Brian M. Meloy Stinson Leonard Street 50 South Sixth Street, Suite 2600 Minneapolis, MN 55402-1540 Telephone: 612-335-1451
Date of Filing	April 2, 2018
Proposed Effective Date	June 2, 2018
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
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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 21,935 Minnesota customers and 2,289 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. 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

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."

of those communications, and what was accomplished in terms of coordination.

With respect to reporting requirements A, D, and E above, the Commission initially 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). Effective with the 2017 program report Great Plains will provide data for all GAP customers as Ordered in Docket No. G004-M-16-495.

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 2017 Gas Affordability Program Report covering the period January 1, 2017 through December 31, 2017.

V. 2017 ANNUAL GAP REPORT

1. Summary Schedule Information

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

	<u>2017 Program Year</u>
1.) Average annual affordability benefit received per customer.	\$110.94
2.) Average annual arrearage forgiveness benefit received per customers.	\$32.08
3.) Percentage of LIHEAP customer that participated in GAP. 1/	3.97%
4.) Disconnection rates:	
a.) Of GAP customers	5.26%
b.) Of LIHEAP-Non-GAP customers	11.57%
c.) Non-LIHEAP (All firm customer including C&I)	2.73%
5.) Number of GAP participants enrolled as of year-end.	37
6.) Number of GAP Participants enrolled and receiving benefits at some time during the year.	57
7.) Annual program budget.	\$50,000
8.) Actual program revenue.	\$10,353.77
9.) Actual program costs.	\$8,027.23

10.)	GAP tracker balance as of year-end	\$16,904.27
11.)	GAP rate-affordability surcharge (\$/dekatherm) Effective June 1, 2017.	\$0.01393

2. Participation Rate Evaluation

Please see Attachment A, pages 1 and 2 for the following information regarding the participation rate evaluation.

- Sources of GAP Applications
- Number of GAP and LIHEAP customers in 2016 & 2017 and the percentage of Residential customers that participated in GAP and LIHEAP. Also included are the number of applicants that did not qualify for GAP in 2017 program year.
- Factors contributing to customers not qualifying for the program
- GAP Fund Collections, Credits and Balances
- Actual annual average cost per participant
- Enrollment of GAP and Number of GAP participants at end of program year

In calendar year 2017, Great Plains received 330 GAP applications representing a decrease of 7 percent from calendar year 2016, while LIHEAP applications submitted in 2017 for Great Plains' customers decreased 1 percent from the number of LIHEAP applications in 2016. Of the 330 applications received, 57 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 2017 include 1) the lower cost of gas, which is down an average of 12% from 2016, and 2) lower annual consumption due to warmer than normal weather and/or conservation efforts both resulting in a lower annual gas bills. 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 2017, many customers did not have an arrears balance outstanding after applying the LIHEAP benefits and therefore did not qualify for the

arrearage forgiveness portion of the program. Qualifying applicants not eligible for the affordability credit or the arrearage forgiveness credit were offered the option to enter into a levelized payment plan. In 2017, Great Plains implemented an additional process and contacted customers that received LIHEAP benefits effective October 1, 2016, and were identified as being in arrears to encourage them to apply for GAP. Throughout the year, Great Plains also re-evaluated customers that had previously submitted a 2017 GAP application, however did not qualify for the arrears benefits at the time of application. Those customers were contacted and advised that they could qualify for the arrears credit and were eligible to enroll in the program.

Great Plains collected \$10,353.77 from customers for GAP funding for the period June 1, 2017 through December 31, 2017 as authorized by the Commission.⁵ Bill credits and arrearage forgiveness amounts totaling \$5,277.23 were issued to participating customers during program year 2017, and actual program costs in program year was \$8,027.23 (inclusive of the \$5,277.23 issued to customers). At the end of program year 2017, 37 participants were still enrolled and receiving GAP benefits.

3. Payment Frequency

The number of payments made divided by number of payments requested for 1) GAP customers 2) GAP customers before they were enrolled in GAP and 3) LIHEAP customers or Non-GAP LIHEAP customers. The results in 2017 demonstrate that enrolling in GAP is beneficial as shown on Attachment A, page 3.

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. Great Plains implemented a \$0.01393 per dk charge effective with service rendered on and after June 1, 2017 pursuant to the Commission's Order issued on May 22, 2017 in Docket No. G004/M-16-495.

4. Customer Payment History

Customer payment history provides the information on the number of GAP participants that paid their bills in full each month before and during their participation in GAP. In addition, information about the number of customers that made partial or no payments. Fifty-four of the fifty-seven customers enrolled in GAP in 2017 were not enrolled in GAP in 2016 program year. Attachment A, page 4 shows that 26 participants performed better, 12 performed the same and 16 performed worse in paying their bills in full each month. Three of the fifty-seven participants made no payments in program year 2017 and 8 customers made partial payments.

5. Payment Amounts

Attachment A, page 5 shows the average credits versus average bill, average affordability credit versus average bill and the average arrears credit versus the average arrears balances. The actual average cost per participant qualifying for credits under program in 2017 was \$92.58 compared to \$94.76 in 2016 program year and the original assumed average annual cost per participant of \$555. The average affordability credit in 2017 was \$111 or 22% of the average annual bill. The average arrearage credit was \$32 or 31% of the average arrearage balance. In program year 2017, 16 percent of customers applying for GAP had an arrears balance at the time of application (prior to applying LIHEAP funds) compared to 12 percent of customers with an arrears balance coming into program year 2016. The total arrears balance owing after applying LIHEAP funds for qualified customers in 2017 program year equaled \$1,981.83 for 12 accounts compared to an arrears balance owing of \$1,439.94 associated with the 6 accounts in program year 2016. 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 2016.

6. Change in Arrearage Levels

Attachment A, page 6 shows the change in arrears for program year 2017 to 2016 for GAP participants, LIHEAP Non-GAP, and Residential (Non-GAP, Non-LIHEAP) customers. GAP participants average arrears balances decreased 38%, LIHEAP Non-GAP 12% and Residential (Non-GAP, Non-LIHEAP increased 18%.

7. Effect of GAP on Service Disconnections

The disconnection rates increased slightly in 2017 from 2016. 5.3% of GAP customers were disconnected in 2017 compared to 4.2% of the GAP customers disconnected in 2016. Attachment A, page 7 shows the disconnection percentages for the three groups.

8. Retention Rates

Great Plains reports that 65% of participants remained on the program in 2017 as shown on Attachment A, page 8.

9. Type and number of customer complaints

Great Plains did not receive a customer complaint regarding the GAP program in 2017 as shown on Attachment A, page 9.

10. Effect of GAP on customer collection activity

Great Plains reports that in 2017 as in 2016 that GAP has had a positive impact on customer payments and disconnections, which have a positive impact on collection activity by reducing the need for such activities.

11. Coordination with Agencies

Great Plains coordinates and communicates with all agencies providing bill payment assistance in our service territory. Attachment A, page 10 provides the agency names, locations, average monthly contact, the content of the inquiries from the agencies and the accomplishments of working with the agencies. The goal is to provide all necessary material and training to agencies, so they are knowledgeable and willing to promote GAP to all Great Plains customers, resulting in more GAP participants.

12. Processing of Applications

Great Plains goal is to process GAP applications within 30 days of receipt which was accomplished in 2017. Great Plains and The Salvation Army posted the GAP application on their respective websites, and Great Plains did remind participants when they missed making a payment. The Salvation Army is Great Plains third party vendor for GAP since 2015 and continues to process all GAP applications. Great Plains will continue to coordinate and work with all agencies to promote the awareness of and interest in GAP.

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. Inserts are included with monthly bills 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. Overall Evaluation

In Docket No. G-004/M-16-495 Great Plains requested and received approval to reinstate the surcharge of 0.01393 per dekatherm collected from all firm customers effective with service rendered June 1, 2017 to fund GAP. This resulted in a balance at the end of program year 2017 of \$16,904.27. Great Plains will re-evaluate this surcharge after completing program year 2018 and file for an adjustment of the surcharge if applicable in the Evaluation Report which is due by May 2019. Great Plains expects to increase participation in GAP with the changes implemented in program year 2018 as described in the following paragraph.

After receiving the Commission Order on May 22, 2017 in Docket No. G-004/M-16-495 Great Plains Evaluation Report filed on June 1, 2016 and the Commission Order dated October 12, 2017, Docket No. G-004/M-17-254, Great Plains 2016 Gas Affordability Report, Great Plains worked to understand how other utilities programs managed to qualify more applicants into GAP. The distinct difference was that other utilities used all payments made by LIHEAP or other assistance to be considered customer payments where Great Plains did not. In order to fully utilize LIHEAP benefits, Great Plains considered the LIHEAP benefit received each heating season as available to pay any or all arrears balances and if an outstanding arrears balance remained, the customer was qualified for the arrears forgiveness component of GAP. In addition, LIHEAP was not considered a customer payment. In program year 2018, Great Plains is now considering LIHEAP and other assistance payments as customer payments. This change is expected to result in more customers qualifying into the program and reducing the number of customers removed from GAP for not making a monthly payment. Great

Plains also continues to work with the stakeholder group in evaluating if further changes to the program are warranted.

VI. The Proposal

Great Plains respectfully requests that the Commission accept its 2017 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, November 26, 2014, July 25, 2016 and October 12, 2017, Orders issued in Docket Nos. G-004/M-07-1235, G-004/M-15-306 and G004/M-16-275 and G004M-17-254.

Dated: April 2, 2018

Respectfully Submitted,

/s/ Tamie Aberle

Tamie Aberle
Director of Regulatory Affairs
Great Plains Natural Gas Co.
a Division of MDU Resources Group, Inc.
400 N. 4th Street
Bismarck, ND 58501

Attachment A

Attachment A

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

Participation Rate Evaluation

1. An evaluation of the assumed GAP participation rate. 1/

Source of GAP Application	2016	%	2017	%
Great Plains website	5	1.41%	6	1.82%
Great Plains Direct Mailing to LIHEAP Customer	338	95.21%	310	93.94%
Third Party Vendor	5	1.41%	11	3.33%
Third Party website	6	1.69%	3	0.91%
Unknown	1	0.28%	0	0.00%
	355		330	

Participation	2016	2017	% Change
GAP Applications	355	330	-7%
LIHEAP Applications	1,509	1,492	-1%
Number of Customers Enrolled in GAP	48	57	19%
% Residential Customers in GAP	0.2	0.3	50%
% Residential Customer in LIHEAP excluding GAP Customers	8.7	8.3	-5%
Number of applicants not qualifying for the program	266	235	

Factors contributing to customers not qualifying for program

Affordability Credit Component	2016	2017	% Change
1.) Lower cost of gas	7.17	6.34	-12%
2.) Average Annual Consumption	75.2	69.9	-7%
3.) Average LIHEAP Benefit	302	313	4%

Arrears Forgiveness	2016	2017	% of Change in Arrears Dollars
Arrears Balance	1439.94	1981.83	
Average Arrears when applying	239.99	165.15	-31.18%

1/ May 12, 2008 Order

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

Evaluation of Participation continued:

	<u>2016</u>	<u>2017</u>
GAP Collections of Funds 1/	0	10,353.77
Bill Credits and Arrears Forgiveness	(4,548.67)	(5,277.23)
Third Party Administrator Fee	<u>(2,750.00)</u>	<u>(2,750.00)</u>
GAP Fund Balance at end of program year	14,577.73	16,904.27

	<u>2016</u>	<u>2017</u>
Actual annual average cost per participant qualifying for credits under program	94.76	92.58

	<u>2016</u>	<u>2017</u>
Enrolled in GAP	48	57
Stopped making payments-Removed	14	15
Customer stopped service-moved		3
Customer requested removal	<u>6</u>	<u>2</u>
Customers Enrolled at the end of prog. Year	28	37

1/ .01393 per DK Effective 6/1/2017
through 12/31/2017 through 12/31/17

May 12, 2008 Order

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

**Number of Payments Made divided by Number of Payments Requested
(Bills to Payments)**

Customer Group	2016	2017
GAP customers	70%	76%
GAP customers before they were enrolled in GAP	68%	43%
LIHEAP customers or Non-GAP LIHEAP customers	37%	44%

Includes partial and late payments

Order issued on November 18, 2009

Docket No. G-004/M-07-1235

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

Customer Payment History - Paid bill in full each month

Fifty four of the fifty seven customers enrolled in GAP in 2017 were not enrolled in GAP in the 2016 program year.

	GAP 2017	
	Participants	Percentage
Performed Better	26	48.15%
Performed the Same	12	22.22%
Performed Worse	16	29.63%
	<u>54</u>	<u>100.00%</u>

Number of GAP participants that made no payments in program years	3
Number of customers that made partical payments	8

Order issued on November 18, 2009
Docket No. G-004/M-07-1235

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

Payment Amounts

Average Credits vs. Average Bill	2016	2017
Average annual affordability and arrearage credits received per GAP customer	\$95	\$93
Average annual bill per GAP customer	\$595	\$500
Average affordability and arrearage credits as % of average annual bill	16%	19%

Average Affordability Credit vs. Average Bill in 2017	2016	2017
Average annual affordability credits received per GAP customer	\$99	\$111
Average annual bill per GAP customer	\$595	\$500
Average affordability credit as % of average annual bill	17%	22%

Average Arrearage Credit vs. Average Arrearage Balances	2016	2017
Average annual arrearage forgiveness credits received per GAP customer	\$32	\$32
Average arrearage balance per GAP customer	165	103
Average annual arrearage forgiveness credit as % of average arrearage balance	19%	31%

Order issued on November 18, 2009
Docket No. G-004/M-07-1235

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

**Report the program's effect on the number of customer in arrears.
Effect on Arrearage Levels (Change in arrearage levels)**

	# of		# of		# of	
	Accounts in Arrears	Average Arrears	Accounts in Arrears	Average Arrears	Accounts in Arrears	Average Arrears
Change in Arrears	2017	2017	2016	2016	%Change	%Change
GAP Participants	15	102.58	5	165.38	200%	-38%
LIHEAP (Non-GAP)	311	119.60	324	136.43	-4%	-12%
Residential (Non-GAP, non-LIHEAP)	2,483	92.19	4,849	78.36	-49%	18%

Order issued on November 18, 2009
Docket No. G-004/M-07-1235

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

Effect of GAP on service disconnections.

Disconnection Rates in 2017	2016	2017
GAP customers disconnected compared to all GAP customers	4.2	5.3
Non-GAP LIHEAP customers disconnected compared to all non-GAP LIHEAP customers	10.7	11.6
All firm customers less GAP and less non-GAP LIHEAP customers disconnected compared to all firm customers less GAP and less non-GAP LIHEAP customers	2.4	2.7

Order issued on November 18, 2009
Docket No. G-004/M-07-1235

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

Show the effects of GAP on retention rates.

Retention Rates

Effect of GAP on retention rates:	2016	2017
Participants remaining on the program as of the end of year	28	37
% Retention	58%	65%

Great Plains tariff language.

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

Type and number of customer complaints.

Requirement to provide data on the type and number of customer complaints.	2016	2017
Number of Complaints	0	0
Type of Complaints	n/a	n/a

Order issued on September 22, 2010
Docket No. G-004/M-07-1235

**Great Plains Natural Gas Co.
Gas Affordability Program (GAP) Reporting**

Coordination with Agencies

Agency Names:	Town	Average Monthly Contact	Content of inquiries from agencies.	Accomplishment
West Central MN Communities Action Inc.	Elbow Lake	6	If customer would qualify to receive GAP.	Placing more customers into the program.
Prairie Five Community Action Council	Montevideo	7	More details on the arrears or affordability credits .	Training on arrears and affordability components of program.
Western Community Action Partnership	Marshall	5	Downloading application form - link to application form.	
Mahube-Otwa Community Action Partnership	Fergus Falls	7	Is their client a customer of Great Plains Natural Gas.	
Renville Co. Human Service & Welfare Dept.	Olivia	5		
Tri-Valley Opportunity Council	Crookston	7		

Order issued on November 18, 2009

Docket No. G-004/M-07-1235

Order November 26, 2014 outreach methods