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January 17, 2018

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

**RE: Reply Comments to the Comments of Minnesota Department of Commerce,
Division of Energy Resources, Docket No. G004/M-17-858**

Dear Mr. Wolf:

Great Plains Natural Gas Co. (Great Plains), a Division of MDU Resources Group, Inc., herewith electronically submits its Reply Comments in response to the Comments of the Department of Commerce, Division of Energy Resources (Department) submitted on January 8, 2018 in the above referenced docket related to Great Plains' Informational Update to the Gas Utility Infrastructure Cost (GUIC) Adjustment.

Great Plains appreciates the Departments' review and agrees with its recommendation to change the timing of Great Plains' annual GUIC cost true-up and rate adjustment filing to no later than April 15 of each year, and requests that the Commission issue an Order accepting Great Plains' request.

On December 8, 2017, Great Plains submitted an Informational Update to the GUIC Adjustment, Docket No. G004/M-17-858. The filing outlined (1) Great Plains did not start collecting revenue for the GUIC rate until November 2017; (2) detailed design for the planned 2018 projects and corresponding expense would not be available until first the first quarter of 2018; (3) customers recently received a notice for the GUIC rate implementation in October 2017 and an immediate change could lead to customer confusion; and (4) Great Plains proposes to file the cost true-up and proposed rate adjustment no later than April 15, 2018. The Department acknowledged the points made by Great Plains and recommended approval of the change in timing to the annual GUIC filing to April 15 of each year, to include cost true-up to actual costs and account for tracker revenue for the twelve months ended the preceding December 30, with the

corresponding GUIC rate adjustment to be effective upon Commission approval but not before 150 days after the filing.

The Department's Comments indicate "The Company (Great Plains) did not indicate whether the April 15 filing date would be permanent..."

To elaborate, it is the intent of Great Plains to revise the GUIC tariff language to reflect a change in the filing date to no later than April 15 of each year, with rates effective at least 150 days after the filing date on a permanent basis. Great Plains also notes the recommendation by the Department states "By April 15 of each year, the true-up calculations must be filed using actual cost and tracker revenue for the twelve months ending the preceding December 30...". The intent of Great Plains will be to use actual cost and tracker revenue for the twelve months ending the preceding December 31st.

If you have any questions regarding this filing, please contact Tamie A. Aberle at (701) 222-7856, or Brian Meloy, at (612) 335-1451.

Sincerely,

/s/ Tamie A. Aberle

Tamie A. Aberle
Director of Regulatory Affairs

cc: Brian Meloy
Service List