

LAW OFFICES

JOHN ALKE
CHRISTIAN DIETRICH
AMY D. CHRISTENSEN
STUART L. KELLNER
KATE McGRATH ELLIS*
CHERCHE PREZEAU
JOHN F. SULLIVAN

HUGHES, KELLNER, SULLIVAN & ALKE, PLLP
40 W. LAWRENCE, SUITE A P.O. BOX 1166
HELENA, MONTANA 59624

TELEPHONE
(406) 442-3690
FAX
(406) 449-4849
WEBSITE
www.hksalaw.com

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COMMISSION

MICHAEL J. HUGHES
(1922-1999)

April 12, 2013

Ms. Kate Whitney, Administrator
Utility Division
Montana Public Service Commission
1701 Prospect Avenue
Helena, MT 59620

Re: In the Matter of the Application of Montana-Dakota Utilities Co. for Authority to
Establish Increased Rates for Natural Gas Service in the State of Montana
Docket No. D2012.9.100
Interim Order No. 7254a - Compliance Filing

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., respectfully submits an original and ten (10) copies of its natural gas rates, to be effective on an interim basis effective with service rendered on and after April 15, 2013, in compliance with the Interim Order No. 7254a (Interim Order) issued by the Commission on April 11, 2013 in the above referenced Docket.

The tariff sheets provided in Exhibit A designate that the amounts billed for the Basic Service Charge and the Distribution Delivery Charge under each retail sales rate schedule, are subject to an increase of 4.492%. The amount billed will be shown as a separate line item on each bill. This methodology, as submitted in the Company 's Interim Application avoids the need to change unit rates as addressed in Ordering Paragraph No. 30 of the Interim Order. The increase of 4.492% represents an annual increase in natural gas delivery revenues of \$850,620. The calculation of the percentage increase is provided on Exhibit B.

The following tariff sheets are hereby submitted for approval:

- 103rd Revised Sheet No. 3
- 10th Revised Sheet No. 11
- 10th Revised Sheet No. 21
- 3rd Revised Sheet No. 22
- 11th Revised Sheet No. 23
- 2nd Revised Sheet No. 34

Included herein is a second set of the affected tariffs on which Montana-Dakota has indicated the revisions made by lining through the existing language which the Company proposes to delete and underlining the new language proposed.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

Sincerely,


John Alke (RR)

cc: Scott Fabel
Montana Consumer Counsel

Exhibit A

Exhibit A

Public Service Commission of Montana



Montana-Dakota Utilities Co.
 A Division of MDU Resources Group, Inc.
 400 N 4th Street
 Bismarck, ND 58501

Natural Gas Service

Volume No. 6
 103rd Revised Sheet No. 3
 Canceling 102nd Revised Sheet No. 3

RATE SUMMARY SHEET

Page 1 of 1

Rate Schedule	Sheet No.	Basic Service Charge	Distribution Delivery Charge	CTA	Cost of Gas	Total Rate/ Dk
Residential Rate 60 ¹	11	\$6.35 per month	\$1.126	\$0.031	\$4.575	\$5.732
Firm General Service Rate 70 ¹	21	\$10.40 per month				
Meters rated < 500 cubic feet		\$22.05 per month	\$1.353	\$0.031	\$4.575	\$5.959
Meters rated > 500 cubic feet			(Maximum) \$0.742		\$4.040	(Maximum) \$4.782
Small Interruptible Gas Rate 71 ¹	22	\$125.00 per month				
Optional Seasonal Gas Service Rate 72 ¹	23	\$10.40 per month				
Meters rated < 500 cubic feet		\$22.05 per month	\$1.353	\$0.031	\$4.687	\$6.071
Meters rated > 500 cubic feet						
Electric Generation Interruptible Transportation Service Rate 80	31	\$175.00 per month				
Maximum			\$0.742			
Minimum			\$0.101			
Transportation Service	32					
Small Interruptible Rate 81		\$175.00 per month				
Maximum			\$0.742			
Minimum			\$0.101			
Fuel Charge					\$0.027	
Large Interruptible Rate 82		\$530.00 per month				
Maximum			\$0.500			
Minimum			\$0.050			
Fuel Charge					\$0.027	
Large Interruptible Gas Rate 85 ¹	34	\$480.00 per month	(Maximum) \$0.500		\$4.040	(Maximum) \$4.540

¹Interim Increase of 4.492% applicable to amounts billed under Basic Service Charge and Distribution Delivery Charge.

Issued: April 12, 2013

By: Tamie A. Aberle
 Director - Regulatory Affairs

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Public Service Commission of Montana



Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
10th Revised Sheet No. 11
Canceling 9th Revised Sheet No. 11

RESIDENTIAL GAS SERVICE Rate 60

Page 1 of 2

Availability:

In all communities served for all domestic uses. See Rate 100, §V.3, for definition of class of service.

Rate:

Basic Service Charge:	\$6.35 per month
Distribution Delivery Charge:	\$1.126 per dk
Cost of Gas:	Determined Monthly- See Rate Summary Sheet for Current Rate
Interim Rate Increase:	4.492% of amount billed under Basic Service Charge and Distribution Delivery Charge

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.12, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in the Gas Cost Tracking Adjustment Procedure Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

Universal System Benefits Charge:

Bills are subject to the charge for the Universal System Benefits Program as set forth in Rate 89.

Issued: April 12, 2013

By: Tamie A. Aberle
Director - Regulatory Affairs

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Public Service Commission of Montana



Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
10th Revised Sheet No. 21
Canceling 9th Revised Sheet No. 21

FIRM GENERAL GAS SERVICE Rate 70

Page 1 of 2

Availability:

In all communities served for all firm purposes except for resale. See Rate 100, §V.3, for definition of class of service.

Rate:

Basic Service Charge:

For customers with meters rated
under 500 cubic feet per hour \$10.40 per month

For customers with meters rated
over 500 cubic feet per hour \$22.05 per month

Distribution Delivery Charge: \$1.353 per dk

Cost of Gas: Determined Monthly- See Rate
Summary Sheet for Current Rate

Interim Rate Increase: 4.492% of amount billed under Basic
Service Charge and Distribution
Delivery Charge

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.12, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in the Gas Cost Tracking Adjustment Procedure Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

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Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
3rd Revised Sheet No. 22
Canceling 2nd Revised Sheet No. 22

SMALL INTERRUPTIBLE GENERAL GAS SERVICE Rate 71

Page 1 of 5

Availability and Applicability of Service:

In all communities served for all interruptible general gas service customers whose interruptible natural gas fueled load will exceed an input rate of 2,500,000 Btu per hour, metered at a single delivery point and whose use of natural gas will not exceed 100,000 dk annually. The rates herein are applicable only to customer's interruptible load. Customer's firm natural gas requirements must be separately metered or specified in a firm service agreement. Customer's firm load shall be treated and billed in accordance with the provisions of Firm General Gas Service Rate 70. For interruption purposes, the maximum daily firm requirement shall be set forth in the firm service agreement.

Rate:

Basic Service Charge:	\$125.00 per month	
Distribution Delivery Charge:	<u>Maximum</u> \$.742 per dk	<u>Minimum</u> \$.101 per dk
Cost of Gas:	Determined Monthly- See Rate Summary Sheet for Current Rate	
Interim Rate Increase:	4.492% of amount billed under Basic Service Charge and Distribution Delivery Charge	

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.12, or any amendments or alterations thereto.

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Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
11th Revised Sheet No. 23
Canceling 10th Revised Sheet No. 23

OPTIONAL SEASONAL GENERAL GAS SERVICE Rate 72

Page 1 of 2

Availability:

In all communities served for all firm purposes except for resale. See Rate 100, §V.3, for definition of class of service.

Rate:

Basic Service Charge:

For customers with meters rated
under 500 cubic feet per hour \$10.40 per month

For customers with meters rated
over 500 cubic feet per hour \$22.05 per month

Distribution Delivery Charge: \$1.353 per dk

Cost of Gas:

Winter- Service rendered October 1 through May 31 Determined Monthly- See
Rate Summary Sheet for
Current Rate

Summer- Service rendered June 1 through September 30 Determined Monthly- See
Rate Summary Sheet for
Current Rate

Interim Rate Increase: 4.492% of amount billed under
Basic Service Charge and
Distribution Delivery Charge

Minimum Bill:

Basic Service Charge.

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Director - Regulatory Affairs

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Public Service Commission of Montana



Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
2nd Revised Sheet No. 34
Canceling 1st Revised Sheet No. 34

LARGE INTERRUPTIBLE GENERAL GAS SERVICE Rate 85

Page 1 of 5

Availability and Applicability of Service:

In all communities served for all interruptible general gas service customers whose interruptible natural gas requirements will exceed 100,000 dk annually as metered at a single delivery point. The rates herein are applicable only to customer's interruptible load. Customer's firm natural gas requirements must be separately metered or specified in a firm service agreement. Customer's firm load shall be treated and billed in accordance with the provisions of Firm General Gas Service Rate 70. For interruption purposes, the maximum daily firm requirement shall be set forth in the firm service agreement. The Company reserves the right to refuse the initiation of service under this rate schedule based on the availability of gas supply.

Rate:

Basic Service Charge:	\$480.00 per month	
Distribution Delivery Charge:	<u>Maximum</u>	<u>Minimum</u>
	\$.500 per dk	\$.050 per dk

Cost of Gas:	Determined Monthly - See Rate Summary Sheet for Current Rate
--------------	---

Interim Rate Increase:	4.492% of amount billed under Basic Service Charge and Distribution Delivery Charge
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Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.12, or any amendments or alterations thereto.

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Tariffs Reflecting Proposed Changes

Public Service Commission of Montana



Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
9th Revised Sheet No. 11
Canceling 8th Revised Sheet No. 11

RESIDENTIAL GAS SERVICE Rate 60

Page 1 of 2

Availability:

In all communities served for all domestic uses. See Rate 100, §V.3, for definition of class of service.

Rate:

Basic Service Charge:	\$6.35 per month
Distribution Delivery Charge:	\$1.126 per dk
Cost of Gas:	Determined Monthly- See Rate Summary Sheet for Current Rate
<u>Interim Rate Increase:</u>	<u>4.492% of amount billed under Basic Service Charge and Distribution Delivery Charge</u>

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.12, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in the Gas Cost Tracking Adjustment Procedure Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

Universal System Benefits Charge:

Bills are subject to the charge for the Universal System Benefits Program as set forth in Rate 89.

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Public Service Commission of Montana



Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
9th Revised Sheet No. 21
Canceling 8th Revised Sheet No. 21

FIRM GENERAL GAS SERVICE Rate 70

Page 1 of 2

Availability:

In all communities served for all firm purposes except for resale. See Rate 100, §V.3, for definition of class of service.

Rate:

Basic Service Charge:

For customers with meters rated
under 500 cubic feet per hour \$10.40 per month

For customers with meters rated
over 500 cubic feet per hour \$22.05 per month

Distribution Delivery Charge: \$1.353 per dk

Cost of Gas: Determined Monthly- See Rate
Summary Sheet for Current Rate

Interim Rate Increase: 4.492% of amount billed under Basic
Service Charge and Distribution
Delivery Charge

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.12, or any amendments or alterations thereto.

Cost of Gas:

The cost of gas includes all applicable cost of gas items as defined in the Gas Cost Tracking Adjustment Procedure Rate 88 or any amendments or alterations thereto. The cost of gas component is subject to change on a monthly basis.

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A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
2nd Revised Sheet No. 22
Canceling 1st Revised Sheet No. 22

SMALL INTERRUPTIBLE GENERAL GAS SERVICE Rate 71

Page 1 of 5

Availability and Applicability of Service:

In all communities served for all interruptible general gas service customers whose interruptible natural gas fueled load will exceed an input rate of 2,500,000 Btu per hour, metered at a single delivery point and whose use of natural gas will not exceed 100,000 dk annually. The rates herein are applicable only to customer's interruptible load. Customer's firm natural gas requirements must be separately metered or specified in a firm service agreement. Customer's firm load shall be treated and billed in accordance with the provisions of Firm General Gas Service Rate 70. For interruption purposes, the maximum daily firm requirement shall be set forth in the firm service agreement.

Rate:

Basic Service Charge:	\$125.00 per month	
Distribution Delivery Charge:	<u>Maximum</u> \$.742 per dk	<u>Minimum</u> \$.101 per dk
Cost of Gas:	Determined Monthly- See Rate Summary Sheet for Current Rate	
<u>Interim Rate Increase:</u>	<u>4.492% of amount billed under Basic Service Charge and Distribution Delivery Charge</u>	

Minimum Bill:

Basic Service Charge.

Payment:

Billed amounts will be considered past due if not paid by the due date shown on the bill. Past due bills are subject to a late payment charge in accordance with the provisions of Rate 100, §V.12, or any amendments or alterations thereto.

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Public Service Commission of Montana



Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
10th Revised Sheet No. 23
Canceling 9th Revised Sheet No. 23

OPTIONAL SEASONAL GENERAL GAS SERVICE Rate 72

Page 1 of 2

Availability:

In all communities served for all firm purposes except for resale. See Rate 100, §V.3, for definition of class of service.

Rate:

Basic Service Charge:

For customers with meters rated
under 500 cubic feet per hour \$10.40 per month

For customers with meters rated
over 500 cubic feet per hour \$22.05 per month

Distribution Delivery Charge: \$1.353 per dk

Cost of Gas:

Winter- Service rendered October 1 through May 31 Determined Monthly- See
Rate Summary Sheet for
Current Rate

Summer- Service rendered June 1 through September 30 Determined Monthly- See
Rate Summary Sheet for
Current Rate

Interim Rate Increase: 4.492% of amount billed under
Basic Service Charge and
Distribution Delivery Charge

Minimum Bill:

Basic Service Charge.

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Director - Regulatory Affairs

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Public Service Commission of Montana



Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

Natural Gas Service

Volume No. 6
1st Revised Sheet No. 34
Canceling Original Sheet No. 34

LARGE INTERRUPTIBLE GENERAL GAS SERVICE Rate 85

Page 1 of 6

Availability and Applicability of Service:

In all communities served for all interruptible general gas service customers whose interruptible natural gas requirements will exceed 100,000 dk annually as metered at a single delivery point. The rates herein are applicable only to customer's interruptible load. Customer's firm natural gas requirements must be separately metered or specified in a firm service agreement. Customer's firm load shall be treated and billed in accordance with the provisions of Firm General Gas Service Rate 70. For interruption purposes, the maximum daily firm requirement shall be set forth in the firm service agreement.

The Company reserves the right to refuse the initiation of service under this rate schedule based on the availability of gas supply.

Rate:

Basic Service Charge:	\$480.00 per month	
Distribution Delivery Charge:	<u>Maximum</u> \$.500 per dk	<u>Minimum</u> \$.050 per dk
Cost of Gas:	Determined Monthly - See Rate Summary Sheet for Current Rate	
<u>Interim Rate Increase:</u>	<u>4.492% of amount billed under Basic Service Charge and Distribution Delivery Charge</u>	

Minimum Bill:

Basic Service Charge.

Payment:

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MONTANA-DAKOTA UTILITIES CO.
REVENUES UNDER INTERIM RATES
ALLOCATION OF REVENUE INCREASE & RESULTS OF INTERIM RATE DESIGN - at \$850,620
Pro Forma 2012

Rate Class	Customers	Dk	Basic Service Charge	Distribution Delivery	Gas Costs	Total Revenues 1/	Proposed Interim Increase 2/		Incr Excl COG 2/
							\$	% 3/	
Residential	70,161	6,097,461	\$5,346,268	\$6,865,741	\$23,517,907	\$35,729,916	\$548,563	1.535%	4.492%
Firm General									
Small Firm General	6,547	1,119,203	817,066	1,514,282	4,316,766	6,648,114	104,724		
Large Firm General	2,153	2,694,623	569,683	3,645,825	10,393,161	14,608,669	189,361		
Total Firm General	8,700	3,813,826	1,386,749	5,160,107	14,709,927	21,256,783	294,085	1.383%	4.492%
Small Interruptible									
Sales	9	218,586	13,500	162,191	629,091	804,782	7,892	0.981%	4.492%
Transportation	35	686,293	73,500	509,229	0	582,729	0		
Total Small IT	44	904,879	87,000	671,420	629,091	1,387,511	7,892		
Large Interruptible									
Sales	0	0	0	0	0	0	0		
Transport - Rate 82	1	74,017	6,360	37,009	0	43,369	0		
Transport Flex- Rate 82	4	4,123,916	25,440	479,995	0	505,435	0		
Total Large Interruptible	5	4,197,933	31,800	517,004	0	548,804	0		
Total Montana	78,910	15,014,099	\$6,851,817	\$13,214,272	\$38,856,925	\$58,923,014	\$850,540		

All distribution revenues excluding transportation \$18,934,556
Requested Interim Revenue Increase 850,620
% Increase applied to bills (excluding Cost of Gas & Transportation) 4.492%

1/ Rule 38.5.177, Statement M, Page 1.

2/ Increase applied to all sales classes based on increase in Basic Service Charge and Distribution Delivery revenues of 4.492%.

3/ Percentage increase in total revenues.