

May 2, 2007

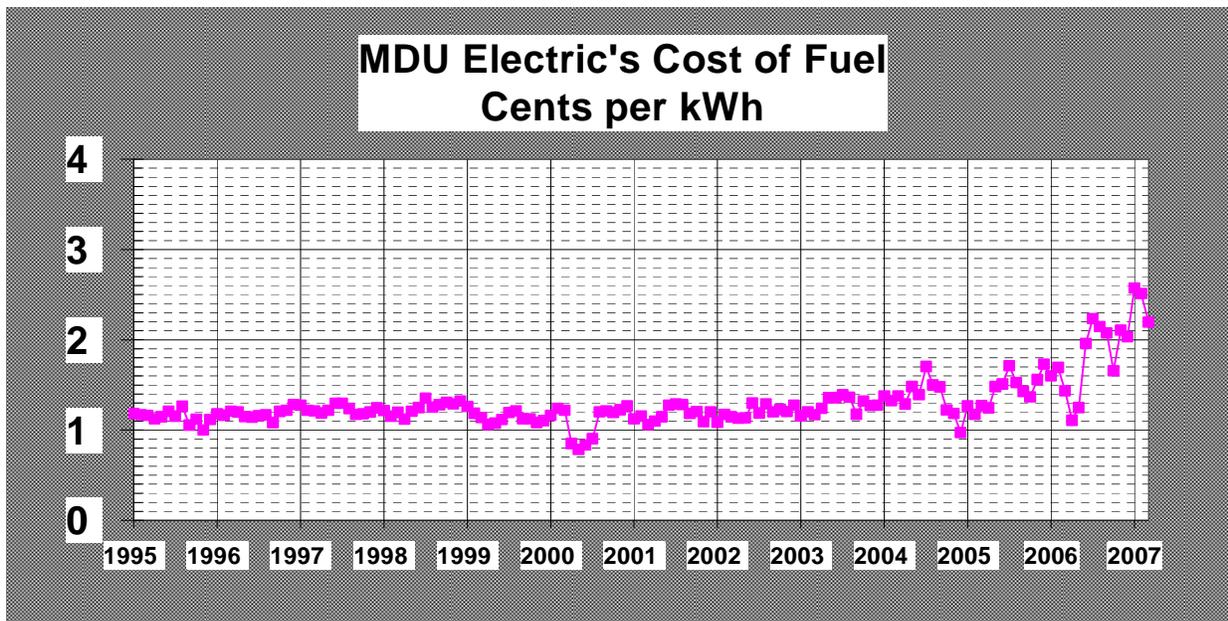
**Montana-Dakota Utilities Co., A Division of
MDU Resources Group, Inc.
May 2007
Fuel Cost Adjustment**

Case No. PU-07-159

MDU decreased its electric fuel cost adjustment (FCA) by 0.317 cents per kWh from 1.208 cents per kWh. The resulting fuel cost adjustment for May is 0.891 cents per kWh.

Combining MDU's Fuel Cost Adjustment with its 1.303 cents per kWh base cost of fuel already included in base tariff rates brings MDU's total average cost of fuel and purchased energy for billing during May to 2.194 cents per kWh as shown on the graph below.

As a result of this change, the electric bill for a typical MDU residential customer consuming 750 kWh per month will decrease by \$2.38 for bills rendered in the month of May.



JRL