

September 7, 2001

Jon Mielke, Executive Secretary
Public Service Commission
State Capitol, 12th Floor
Bismarck, ND 58505-0480

Dear Mr. Mielke,

The Public Service Commission staff has completed its investigation of MDU's electric operations using a historical 2000 test year. Staff has concluded that MDU should be required to reduce its retail electric rates by approximately 11% to recover \$9.155 million less in annual revenues from North Dakota ratepayers.

Enclosed is an original and seven copies of staff's Complaint as well as the testimony of staff witnesses Mike Diller and Charlie King.

Sincerely,

Mike Diller
Director of Accounting

C: Don Ball, Montana-Dakota Utilities Co.