

April 18, 2002

Jon Mielke
Executive Secretary
North Dakota Public Service Commission
600 East Boulevard Avenue, Dept. 408
Bismarck, ND 58505

Re: Montana-Dakota Utilities Co., Electric Rates Investigation, PU-399-01-186

Dear Mr. Mielke:

The Commission Advocacy Staff has reviewed the Affidavit of Terry L. Blinsky dated April 16, 2002, regarding the actual level of wholesale sales for the first quarter of 2002. Staff has no objection generally to the filing of this information, but Staff believes the information adds nothing to the case.

Staff does, however, question the relevance of paragraph 5 where the projected level of sales for resale margins for 2002, based on a simple annualization of actual first quarter results, is compared to MDU's margin estimate testified to at the hearing. The comparison suggested by MDU requires an assumption that the actual results of the first quarter will be replicated in the next three quarters of 2002. There is no basis for such an assumption, and therefore Staff objects to paragraph 5 of the Affidavit.

Sincerely,

William W. Binek
Counsel for Advocacy Staff

cc: William P. Pearce