

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

Capital Electric Cooperative, Inc./  
Montana-Dakota Utilities Co.  
Application

Case No. \_\_\_\_\_

**Application for Approval of Service Area Agreement**

Capital Electric Cooperative, Inc., ("Capital Electric"), an electric cooperative organized under N.D.C.C. Chapter 10-13, and Montana-Dakota Utilities Co., a division of MDU Resources Group, Inc., ("Montana-Dakota"), an electric public utility, submit this joint application for approval of a Service Area Agreement pursuant to N.D.C.C. § 49-03-06. The Service Area Agreement, which accompanies this application, was entered into by Montana-Dakota and Capital Electric as electric providers in compliance with the provisions of N.D.C.C. § 49-03-06 to establish service areas and to designate service locations to be served by Montana-Dakota and Capital Electric within the City of Bismarck and the surrounding area. The Service Area Agreement complies with N.D.C.C. § 49-03-06 and is in the public interest because it will: (1) avoid misunderstanding and disagreement over areas to be served by each party, (2) accomplish the legislative intent of N.D.C.C. § 49-03-06 to encourage harmony and operational efficiency among electric providers, promote safety, discourage unreasonable duplication of electric facilities, assure adequate and reliable electric service and provide antitrust immunity to the electric providers, and (3) provide both parties with equitable participation in the provision of electric distribution service within undeveloped areas annexed to the City of Bismarck during the term of the Agreement.

Montana-Dakota and Capital Electric request the Public Service Commission, after notice as provided in N.D.C.C. § 49-03-06(4), to approve the Service Area Agreement after finding the Agreement in compliance with N.D.C.C. § 49-03-06 and in the public interest.

Notices regarding this matter should be directed to:

**For Montana-Dakota Utilities Co.:**

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Dated this \_\_\_\_\_ day of November, 2007.

Respectfully submitted,

Montana-Dakota Utilities Co., a Division of  
MDU Resources Group, Inc.

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By: Donald R. Ball  
Vice President – Regulatory Affairs

Capital Electric Cooperative, Inc.

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By: Lars Nygren  
General Manager