



# MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street  
Bismarck, ND 58501  
(701) 222-7900

# ORIGINAL

May 20, 2008

## RECEIVED

MAY 20 2008

Executive Secretary  
North Dakota Public Service  
Commission  
State Capitol Building  
Bismarck, ND 58505-0480

### PUBLIC SERVICE COMMISSION

Re: Fuel Clause Adjustment (FCA)  
Case No. PU-08-\_\_

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith respectfully files an original and seven (7) copies of its fuel clause adjustment (FCA) per its Fuel Clause Rate 58. The attached statement shows the following:

Cost per Kwh	\$0.01956
Base Cost/Kwh Included in Current Rates	<u>0.01303</u>
Total Billing Adjustment	\$0.00653

The net effect of this FCA is to decrease the rate by 0.489 cents per Kwh for bills rendered in the month of June 2008. All of North Dakota's electric customers will be affected by this proposal. There were 73,926 electric customers in North Dakota as of April 30, 2008.

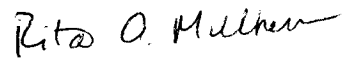
The decrease in the FCA for June is caused by the fact that the higher cost month of December, used in the May calculation, was replaced by the lower cost month of April.

In response to Paragraph No. 11 of NDAC Section 69-09-02-39, Montana-Dakota purchases natural gas used for electric generation from its own gas operations or transports natural gas purchased from others under the applicable gas tariff approved and on file with the Commission in the state where the purchase is made or the transportation occurs.

Montana-Dakota submitted a check for the amount of \$600.00 on December 19, 2007. This payment will cover the filing fee associated with the monthly FCA filings, in accordance with North Dakota Century Code Section 49-05-05, for January through December, 2008.

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,



Rita A. Mulkern  
Regulatory Analysis Manager

Attachment

Cc: D. Ball

VERIFICATION

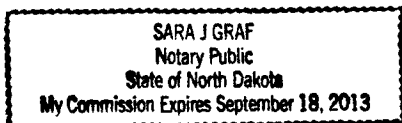
STATE OF NORTH DAKOTA    )  
  )  
COUNTY OF BURLEIGH     )

Rita A. Mulkern, being first duly sworn, deposes and says: That she is the Regulatory Analysis Manager of Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., that she has supervised the preparation of the foregoing statements, certifies that all of the statements are based upon the records of the respondent, and that the same is true and correct to the best of her knowledge, information and belief.

Dated this 20th day of May, 2008.

Rita A. Mulkern  
Rita A. Mulkern

Subscribed and sworn to before me, a Notary Public for the state and county above named, this 20th day of May, 2008.



Sara J. Graf  
Sara J. Graf, Notary Public  
Burleigh County, North Dakota  
My Commission Expires: 09/18/2013

**MONTANA-DAKOTA UTILITIES CO.  
FUEL COST ADJUSTMENT - NORTH DAKOTA  
JUNE 2008 BILLING ADJUSTMENT SUMMARY**

	<u>Amount</u>
Current cost per Kwh 1/	\$0.01839
Surcharge Adjustment	<u>0.00117</u>
Total Cost per Kwh	\$0.01956
Less: Base Cost 2/	<u>0.01303</u>
Total Fuel Cost Adjustment	<u><b>\$0.00653</b></u>

1/ Page 2.

2/ Base cost of fuel per Case No. PU-399-03-296,  
order dated December 18, 2003.

**MONTANA-DAKOTA UTILITIES CO.  
FUEL COST ADJUSTMENT - NORTH DAKOTA  
JUNE 2008 BILLING ADJUSTMENT**

	2008				Total
	January	February	March	April	
Fuel & Purchased Power Costs					
Account 151 and Natural Gas Used for Generation	\$3,670,851	\$3,668,660	\$3,830,611	\$3,745,439	\$14,915,561
Account 555 (Excludes Demand) 1/	1,710,449	1,018,195	313,642	(881,221)	2,161,065
Total Energy Related Costs	\$5,381,300	\$4,686,855	\$4,144,253	\$2,864,218	\$17,076,626
Fuel Costs - Sales for Resale	96,659	246,592	396,627	625,888	1,365,766
Net System Costs	\$5,284,641	\$4,440,263	\$3,747,626	\$2,238,330	\$15,710,860
Kwh Retail Sales	238,589,485	221,120,814	199,546,442	194,826,646	854,083,387
Cost Per Kwh	\$0.02215	\$0.02008	\$0.01878	\$0.01149	\$0.01839

**MONTANA-DAKOTA UTILITIES CO.**  
**ACCOUNT 555**  
**JUNE 2008 BILLING ADJUSTMENT**

Account No.	Account Description	2008			
		January	February	March	April
555.1	Purchased Power	\$0	\$0	\$0	\$0
555.111	Day-Ahead Asset Energy	\$1,095,137	\$277,764	(\$489,225)	(\$2,090,095)
555.112	Day-Ahead Non-Asset Energy	0	0	0	0
555.113	Day-Ahead Virtual Energy	0	0	0	0
555.114	Real-Time Asset Energy	59,897	44,534	401,002	1,688,991
555.115	Real-Time Non-Asset Energy	(1,969)	(10,903)	(3,887)	(2,040)
555.116	Real-Time Virtual Energy	0	0	0	0
555.1211	Day-Ahead Asset Congestion	93,359	17,237	(34,452)	45,299
555.1212	Day-Ahead Financial Bilateral Congestion Loss	0	0	0	0
555.1213	Day-Ahead Non-Asset Congestion	0	0	0	0
555.1214	Day-Ahead Virtual Congestion	0	0	0	0
555.1215	Real-Time Asset Congestion	(52,519)	5,475	41,456	(108,574)
555.1216	Real-Time Financial Bilateral Transaction Congestion	0	0	0	0
555.1217	Real-Time Non-Asset Congestion	0	0	0	0
555.1218	Real-Time Virtual Congestion	0	0	0	0
555.1221	Financial Transmission Rights Hourly Allocation	(9,695)	(13,468)	(9,558)	(3,691)
555.1222	Financial Transmission Rights Market Administration	0	0	0	0
555.1223	Financial Transmission Rights Monthly Allocation	(1)	(874)	(818)	(721)
555.1224	Financial Transmission Rights Transaction	0	0	0	0
555.1225	Financial Transmission Rights Yearly Allocation	0	0	0	(402,058)
555.1226	Financial Transmission Rights Funding Guarantee Amt	(784)	(1,704)	196	(926)
555.1227	Financial Transmission Rights Guarantee Uplift Amt	784	1779	(54)	1,059
555.131	Day-Ahead Asset Loss	397,112	427,283	442,175	472,034
555.132	Day-Ahead Financial Bilateral Transaction Loss	0	0	0	0
555.133	Day-Ahead Non-Asset Loss	0	0	0	0
555.134	Day-Ahead Virtual Loss	0	0	0	0
555.135	Real-Time Asset Loss	312,468	316,751	71,208	(464,636)
555.136	Real-Time Distribution of Loss	(114,089)	(128,476)	(105,388)	(82,135)
555.137	Real-Time Financial Bilateral Transaction Loss	0	0	0	0
555.138	Real-Time Non-Asset Loss	0	0	0	0
555.139	Real-Time Virtual Loss	0	0	0	0
555.141	Day-Ahead Market Administration	0	0	0	0
555.142	Real-Time Market Administration	0	0	0	0
555.151	Day-Ahead Rev Suff Guarantee Distribution	10,319	12,227	7,339	2,921
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	0	0	0	0
555.153	Real-Time Miscellaneous	(71)	15	0	0
555.154	Real-Time Net Inadvertent Distribution	(7,226)	(5,920)	19,999	18,421
555.155	Real-Time Revenue Neutrality Uplift	67,846	68,983	39,558	43,082
555.156	R-T Rev Suff Guarantee First Pass Distribution	36,892	30,706	37,824	17,991
555.157	R-T Rev Suff Guarantee Make Whole Payment	(180,224)	(24,955)	(109,694)	(21,933)
555.158	Real-Time Uninstructed Deviation	(2,198)	(3,849)	0	89
555.159	Day Ahead Schedule 24	5,124	5,299	5,583	5,246
555.160	Real Time Schedule 24	287	291	378	455
	Total MISO Market Charges	\$1,710,449	\$1,018,195	\$313,642	(\$881,221)
	Total Account 555 Charges	\$1,710,449	\$1,018,195	\$313,642	(\$881,221)

**MONTANA-DAKOTA UTILITIES CO.  
INFORMATIONAL SUPPLEMENT  
TO RATE 58  
NORTH DAKOTA**

	<u>Current Adjustment in Cents per Kwh</u>	<u>Amount of Change in Cents per Kwh</u>	<u>Current Adjustment in Dollars per Kwh</u>
January 2007	0.803	0.450	0.00803
February	0.731	(0.072)	0.00731
March	1.268	0.537	0.01268
April	1.208	(0.060)	0.01208
May	0.891	(0.317)	0.00891
June	0.870	(0.021)	0.00870
July	0.821	(0.049)	0.00821
August	0.801	(0.020)	0.00801
September	1.105	0.304	0.01105
October	1.155	0.050	0.01155
November	1.127	(0.028)	0.01127
December	1.038	(0.089)	0.01038
January 2008	0.899	(0.139)	0.00899
February	1.121	0.222	0.01121
March	1.165	0.044	0.01165
April	1.227	0.062	0.01227
May	1.142	(0.085)	0.01142
June	0.653	(0.489)	0.00653

Base rates effective on or after January 23, 2004. Base cost of fuel @ \$0.01303 per Kwh per Case No. PU-399-03-296