



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

ORIGINAL

June 19, 2008

RECEIVED

JUN 19 2008

PUBLIC SERVICE COMMISSION

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

Re: Case No. PU-08-____
Application for a Certificate of Public
Convenience & Necessity For a
Recovered Energy Generator Facility

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., herewith files an original and seven (7) copies of an Application for a Certificate of Public Convenience and Necessity to own and operate a Recovered Energy Generation (REG) facility to be located on Northern Border Pipeline Company's compressor station near Glen Ullin in Morton County, North Dakota. The REG will capture waste heat and generate electricity from an existing compressor station driven by a natural gas fueled turbine. The REG is expected to be in commercial operation by August 2009.

Montana-Dakota also requests the certificate of public convenience and necessity include authorization to construct, own and operate a new substation located on the northeast edge of Glen Ullin, North Dakota adjacent to Montana-Dakota's existing distribution substation and a 41.6 kV sub-transmission line, extending approximately 3.3 miles, from the substation to the REG site located in the SW ¼, Section 26, Township 139N, Range 88W, Morton County, North Dakota.

Please refer all inquiries regarding this filing to:

Donald R. Ball
Vice President – Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501

1 **PU-08-358** Filed: 6/19/2008 Pages: 8
PC&N Application for Recovered Energy Generator Facility

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

Also, please send copies of all written inquiries, correspondence and pleadings to:

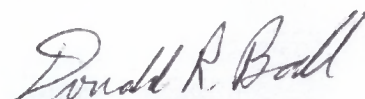
Daniel S. Kuntz
Associate General Counsel
MDU Resources Group, Inc.
P.O. Box 5650
Bismarck, ND 58506-5650

Montana-Dakota has previously submitted a check to cover the \$50 filing fee required for filings, in accordance with North Dakota Century Code Section 49-05-05.

Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

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,



Donald R. Ball
Vice President - Regulatory Affairs

Attachments

Cc: Daniel S. Kuntz

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA

In the Matter of the Application of)
MONTANA-DAKOTA UTILITIES CO., a)
Division of MDU Resources Group, Inc., for a)
Certificate of Public Convenience and)
Necessity to Construct and Own a) Case No. PU-08-_____
Recovered Energy Generator Facility and)
Associated Interconnection Facilities near)
Glen Ullin, North Dakota)

APPLICATION FOR A CERTIFICATE
OF PUBLIC CONVENIENCE AND NECESSITY

COMES NOW, Montana-Dakota Utilities Co. (Montana-Dakota or Applicant), a Division of MDU Resources Group, Inc., the Applicant in the above-entitled proceeding, and makes application pursuant to Chapter 49-03.1, NDCC, for a Certificate of Public Convenience and Necessity to own and operate a Recovered Energy Generation (REG) facility, to be located on Northern Border Pipeline Company's compressor station near Glen Ullin in Morton County, North Dakota, and to construct, own and operate an associated 41.6 kV sub-transmission line and substation. Montana-Dakota has entered into an Engineering, Procurement and Construction (EPC) agreement with Ormat Technologies, Inc. (Ormat) to build the REG facility. The process involves capturing waste heat from Northern Border Pipeline Company's existing compressor station driven by a natural gas fueled turbine. The heat in the turbine exhaust is recovered,

using heat exchangers, which is then used to vaporize a fluid to drive a turbine and generator. The REG has a generating capacity of 7.5 MW and is expected to be in commercial operation by August 2009. The technology utilized by Ormat allows for the conversion of the recovered heat to electricity without the need for any additional fuel and results in no additional air emissions associated with the electric generation process.

In order to deliver the energy generated by the REG to Montana-Dakota's system, a 41.6 kV sub-transmission line will be constructed extending approximately 3.3 miles from a new distribution substation, located on the northeast edge of Glen Ullin adjacent to Montana-Dakota's existing distribution substation, to the REG site located in the SW ¼, Section 26, Township 139N, Range 88W, Morton County, North Dakota.

I.

That Applicant's full name and post office address are:

Montana-Dakota Utilities Co.,
a Division of MDU Resources Group, Inc.,
400 North Fourth Street
Bismarck, North Dakota 58501

II.

That Applicant is a Division of MDU Resources Group, Inc., a Delaware corporation duly authorized to do business in the State of North Dakota as a foreign corporation, and that it is doing business in the State of North Dakota as a public utility subject to the jurisdiction of and regulation by the North Dakota Public Service Commission (Commission) under Title 49, N.D.C.C., as amended.

III.

That Applicant's Certificate of Incorporation and amendments thereto have been previously filed with the Commission, such Certificate and Amendments are hereby incorporated by reference, as though fully set forth herein.

IV.

That this Application is being made pursuant to the provisions of Chapter 49-03.1 of the North Dakota Century Code, and the rules and regulations promulgated by the Public Service Commission of the State of North Dakota.

V.

That Applicant seeks authorization to own and operate the REG and associated facilities necessary to interconnect with Montana-Dakota's existing retail system. Montana-Dakota is not extending service to any new retail customers as a part of this project. Attached as Exhibit A is a map depicting the facilities necessary to interconnect the REG.

VI.

That no other public utility will be affected by the ownership and operation of the proposed generating facility and associated interconnection facilities.

VII.

That Applicant is fit, willing and able to own and operate the proposed facilities.

VIII.

That Applicant believes it is in the public interest that Applicant be granted a Certificate of Public Convenience and Necessity for the authority it requests herein.

WHEREFORE, Applicant respectfully requests that the Commission:

1. Give Notice of Opportunity to request a hearing to interested parties and, if no hearing is requested within twenty days, to waive the hearing in accordance with §49-03.1-05, NDCC;
2. Enter an Order and issue a Certificate of Public Convenience and Necessity authorizing the Applicant to own and operate a Recovered Energy Generation (REG) facility to be located on Northern Border Pipeline Company's compressor station near Glen Ullin, North Dakota and to construct, own and operate an associated 41.6 kV sub-transmission line and distribution substation.
3. Grant such other relief as the Commission shall deem appropriate.

Dated this 19th day of June, 2008.

MONTANA-DAKOTA UTILITIES CO.
A Division of MDU Resources Group, Inc.

By: Donald R. Ball
Donald R. Ball
Vice President Regulatory Affairs


Of Counsel:

Daniel S. Kuntz
Associate General Counsel
MDU Resources Group, Inc.
P.O. Box 5650
Bismarck, ND 58506-5650

STATE OF NORTH DAKOTA)
 :SS
COUNTY OF BURLEIGH)

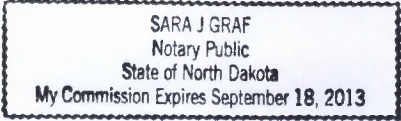
Donald R. Ball, being first duly sworn, on oath deposes and says that he is the Vice President Regulatory Affairs of Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., the Applicant herein, and makes this verification on its behalf; that he has read the foregoing Application and knows the contents thereof, and that the statements made and contained therein are true and correct to the best of his information, knowledge and belief.

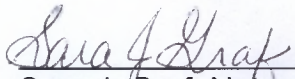
Dated this 19th day of June, 2008.



Donald R. Ball

Subscribed and sworn to before me this 19th day of June, 2008.





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

Of Counsel:

Daniel S. Kuntz
Associate General Counsel
MDU Resources Group, Inc.
P.O. Box 5650
Bismarck, ND 58506-5650

EXHIBIT A

