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November 20, 2009

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PUBLIC SERVICE COMMISSION

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

Re: Fuel Clause Adjustment (FCA)
Case No. PU-09-__

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	\$0.01671
Base Cost/Kwh Included in Current Rates	<u>0.01303</u>
Total Billing Adjustment	\$0.00368

The net effect of this FCA is to increase the rate by 0.009 cents per Kwh for service rendered in the month of December 2009. All of North Dakota's electric customers will be affected by this proposal. There were 75,271 electric customers in North Dakota as of October 31, 2009.

The increase in the FCA for December is caused by the fact that the lower cost month of June, used in the November calculation, was replaced by the higher cost month of October.

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 17, 2008. 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, 2009.

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,

A handwritten signature in black ink that reads "Donald R. Ball". The signature is written in a cursive style with a large, prominent initial "D".

Donald R. Ball
Vice President – Regulatory Affairs

Attachment

**MONTANA-DAKOTA UTILITIES CO.
FUEL COST ADJUSTMENT - NORTH DAKOTA
DECEMBER 2009 BILLING ADJUSTMENT SUMMARY**

	<u>Amount</u>
Current cost per Kwh 1/	\$0.01835
Surcharge Adjustment	<u>(0.00164)</u>
Total Cost per Kwh	\$0.01671
Less: Base Cost 2/	<u>0.01303</u>
Total Fuel Cost Adjustment	<u><u>\$0.00368</u></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
DECEMBER 2009 BILLING ADJUSTMENT**

	2009				Total
	July	August	September	October	
Fuel & Purchased Power Costs					
Account 151 and Natural Gas Used for Generation	\$2,936,142	\$2,990,156	\$2,945,112	\$3,893,399	\$12,764,809
Account 555 (Excludes Demand) 1/	841,213	635,201	560,751	249,757	2,286,922
Total Energy Related Costs	\$3,777,355	\$3,625,357	\$3,505,863	\$4,143,156	\$15,051,731
Fuel Costs - Sales for Resale	33,354	59,581	109,831	492,532	695,298
Net System Costs	\$3,744,001	\$3,565,776	\$3,396,032	\$3,650,624	\$14,356,433
Kwh Retail Sales	203,581,947	185,590,033	197,823,620	195,296,623	782,292,223
Cost Per Kwh	\$0.01839	\$0.01921	\$0.01717	\$0.01869	\$0.01835

MONTANA-DAKOTA UTILITIES CO.
ACCOUNT 555
DECEMBER 2009 BILLING ADJUSTMENT

Account No.	Account Description	2009			
		July	August	September	October
555.1	Purchased Power	(\$952)	\$0	\$0	\$0
555.111	Day-Ahead Asset Energy	\$1,044,274	\$569,581	\$402,366	(\$588,742)
555.114	Real-Time Asset Energy	(213,372)	48,748	45,360	(227,970)
555.117	Real-Time Excessive Energy	(52)	(32)	(224)	(128)
555.118	Real-Time Non-Excessive Energy	(44,332)	(27,775)	105,067	687,570
555.1211	Day-Ahead Asset Congestion	(121,613)	(61,303)	(67,859)	(18,557)
555.1215	Real-Time Asset Congestion	15,958	(21,395)	1,492	19,304
555.1219	Real-Time Non-Excessive Congestion	(7,775)	(29,302)	(47,422)	(326)
555.1221	Financial Transmission Rights Hourly Allocation	1	0	0	0
555.1223	Financial Transmission Rights Monthly Allocation	(7)	0	(2)	0
555.1226	Financial Transmission Rights Funding Guarantee Amt	6	0	2	0
555.1227	Financial Transmission Rights Guarantee Uplift Amt	155	(163)	160	(163)
555.1230	Revenue Rights Transaction	(43,451)	(43,451)	(7,942)	(7,942)
555.1232	Revenue Rights Infeasible Uplift	2,642	2,642	3,652	3,652
555.1233	Revenue Rights Stage 2 Distribution	(55,355)	(55,355)	(31,641)	(31,604)
555.130	Real-Time Non-Excessive Loss	915	(5,424)	288	(79,265)
555.131	Day-Ahead Asset Loss	27,776	102,357	38,710	220,094
555.135	Real-Time Asset Loss	149,217	134,246	139,274	213,605
555.136	Real-Time Distribution of Loss	(67,610)	(62,547)	(52,518)	(44,886)
555.151	Day-Ahead Rev Suff Guarantee Distribution	3,158	4,599	5,899	5,697
555.153	Real-Time Miscellaneous	6,974	3,314	(2,666)	1,265
555.154	Real-Time Net Inadvertent Distribution	(68)	3,231	(531)	(1,912)
555.155	Real-Time Revenue Neutrality Uplift	46,071	(6,081)	(59,567)	20,382
555.156	R-T Rev Suff Guarantee First Pass Distribution	76,385	58,011	75,243	64,671
555.157	R-T Rev Suff Guarantee Make Whole Payment	(28)	0	(2,179)	(7,250)
555.159	Day Ahead Schedule 24	4,177	4,360	4,393	5,137
555.160	Real Time Schedule 24	330	416	494	522
555.162	Real Time Price Volume Make Whole Payment	(128)	(452)	(308)	(903)
555.1701	Day-Ahead Spinning Reserve Amount	(4,345)	(1,471)	(4,255)	(12,520)
555.1702	Day-Ahead Supplemental Reserve Amount	(1,838)	(1,453)	(1,612)	(2,225)
555.1711	Real-Time Excessive Deficient Energy Deployment	10	65	9	51
555.1712	Real-Time Contingency Reserve Deployment	0	0	260	0
555.1714	Real-Time Spinning Reserve Amount	(445)	(3,007)	(2,811)	401
555.1715	Real-Time Supplemental Reserve Amount	132	(53)	433	(50)
555.1716	Real-Time Regulation Cost Distribution	15,550	14,627	11,006	15,914
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	7,984	7,347	6,966	14,277
555.1718	Real-Time Supplemental Reserve Cost Distribution	869	921	1,214	1,658
Total Account 555 Charges		<u>\$841,213</u>	<u>\$635,201</u>	<u>\$560,751</u>	<u>\$249,757</u>

**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 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
July	0.710	0.057	0.00710
August	1.039	0.329	0.01039
September	1.263	0.224	0.01263
October	1.590	0.327	0.01590
November	1.352	(0.238)	0.01352
December	0.990	(0.362)	0.00990
January 2009	0.887	(0.103)	0.00887
February	0.950	0.063	0.00950
March	1.003	0.053	0.01003
April	0.720	(0.283)	0.00720
May	0.594	(0.126)	0.00594
June	0.389	(0.205)	0.00389
July	0.348	(0.041)	0.00348
August	0.342	(0.006)	0.00342
September	0.362	0.020	0.00362
October	0.403	0.041	0.00403
November	0.359	(0.044)	0.00359
December	0.368	0.009	0.00368

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