



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

January 22, 2010

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	\$0.01739
Base Cost/Kwh Included in Current Rates	<u>0.01303</u>
Total Billing Adjustment	\$0.00436

The net effect of this FCA is to increase the rate by 0.092 cents per Kwh for service rendered in the month of February 2010. All of North Dakota's electric customers will be affected by this proposal. There were 75,349 electric customers in North Dakota as of December 31, 2009.

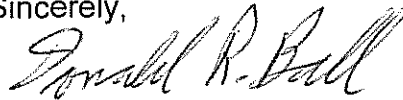
The increase in the FCA for February is caused by the fact that the lower cost month of August, used in the January calculation, was replaced by the higher cost month of December.

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 this monthly FCA filing, in accordance with North Dakota Century Code Section 49-05-05.

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, appearing to read "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
FEBRUARY 2010 BILLING ADJUSTMENT SUMMARY**

	<u>Amount</u>
Current cost per Kwh 1/	\$0.01903
Surcharge Adjustment	<u>(0.00164)</u>
Total Cost per Kwh	\$0.01739
Less: Base Cost 2/	<u>0.01303</u>
Total Fuel Cost Adjustment	<u><u>\$0.00436</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
FEBRUARY 2010 BILLING ADJUSTMENT**

	2009				Total
	September	October	November	December	
Fuel & Purchased Power Costs					
Account 151 and Natural Gas Used for Generation	\$2,945,112	\$3,893,399	\$3,269,405	\$3,970,898	\$14,078,814
Account 555 (Excludes Demand) 1/	560,751	249,757	118,749	1,052,923	1,982,180
Total Energy Related Costs	\$3,505,863	\$4,143,156	\$3,388,154	\$5,023,821	\$16,060,994
Fuel Costs - Sales for Resale	109,831	492,532	270,013	94,533	966,909
Net System Costs	\$3,396,032	\$3,650,624	\$3,118,141	\$4,929,288	\$15,094,085
Kwh Retail Sales	197,823,620	195,296,623	179,586,129	220,383,892	793,090,264
Cost Per Kwh	\$0.01717	\$0.01869	\$0.01736	\$0.02237	\$0.01903

**MONTANA-DAKOTA UTILITIES CO.
ACCOUNT 555
FEBRUARY 2010 BILLING ADJUSTMENT**

Account No.	Account Description	2009			
		September	October	November	December
555.1	Purchased Power	\$0	\$0	\$0	\$0
555.111	Day-Ahead Asset Energy	\$402,366	(\$588,742)	(\$396,176)	\$978,853
555.114	Real-Time Asset Energy	45,360	(227,970)	(251,377)	(150,348)
555.117	Real-Time Excessive Energy	(224)	(128)	(338)	(288)
555.118	Real-Time Non-Excessive Energy	105,067	687,570	494,004	(232,062)
555.1211	Day-Ahead Asset Congestion	(67,859)	(18,557)	(8,647)	163,241
555.1215	Real-Time Asset Congestion	1,492	19,304	20,180	(658)
555.1219	Real-Time Non-Excessive Congestion	(47,422)	(326)	(52,871)	(39,702)
555.1223	Financial Transmission Rights Monthly Allocation	(2)	0	0	0
555.1226	Financial Transmission Rights Funding Guarantee Amt	2	0	0	0
555.1227	Financial Transmission Rights Guarantee Uplift Amt	160	(163)	0	0
555.1230	Revenue Rights Transaction	(7,942)	(7,942)	(7,942)	(4,445)
555.1232	Revenue Rights Infeasible Uplift	3,652	3,652	3,652	169
555.1233	Revenue Rights Stage 2 Distribution	(31,641)	(31,604)	(31,568)	(19,969)
555.130	Real-Time Non-Excessive Loss	288	(79,265)	(53,013)	3,503
555.131	Day-Ahead Asset Loss	38,710	220,094	158,711	175,662
555.135	Real-Time Asset Loss	139,274	213,605	224,574	189,164
555.136	Real-Time Distribution of Loss	(52,518)	(44,886)	(32,904)	(85,112)
555.151	Day-Ahead Rev Suff Guarantee Distribution	5,899	5,697	5,729	11,458
555.153	Real-Time Miscellaneous	(2,666)	1,265	187	1,206
555.154	Real-Time Net Inadvertent Distribution	(531)	(1,912)	2,665	1,843
555.155	Real-Time Revenue Neutrality Uplift	(59,567)	20,382	41,478	39,386
555.156	R-T Rev Suff Guarantee First Pass Distribution	75,243	64,671	(10,849)	11,617
555.157	R-T Rev Suff Guarantee Make Whole Payment	(2,179)	(7,250)	(4,094)	(16,051)
555.159	Day Ahead Schedule 24	4,393	5,137	5,299	5,306
555.160	Real Time Schedule 24	494	522	549	484
555.162	Real Time Price Volume Make Whole Payment	(308)	(903)	(772)	(7,099)
555.1700	Day-Ahead Regulation Amount	0	0	0	(327)
555.1701	Day-Ahead Spinning Reserve Amount	(4,255)	(12,520)	(3,495)	(2,765)
555.1702	Day-Ahead Supplemental Reserve Amount	(1,612)	(2,225)	(1,321)	(1,022)
555.1710	Real-Time Net Regulation Adjustment	0	0	0	16
555.1711	Real-Time Excessive Deficient Energy Deployment	9	51	65	220
555.1712	Real-Time Contingency Reserve Deployment	260	0	0	0
555.1713	Real-Time Regulation Amount	0	0	0	51
555.1714	Real-Time Spinning Reserve Amount	(2,811)	401	(6,045)	(1,477)
555.1715	Real-Time Supplemental Reserve Amount	433	(50)	(82)	117
555.1716	Real-Time Regulation Cost Distribution	11,006	15,914	13,456	19,003
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	6,966	14,277	8,932	11,988
555.1718	Real-Time Supplemental Reserve Cost Distribution	1,214	1,658	762	961
Total Account 555 Charges		<u>\$560,751</u>	<u>\$249,757</u>	<u>\$118,749</u>	<u>\$1,052,923</u>

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

	Current Adjustment in Cents per Kwh	Amount of Change in Cents per Kwh	Current Adjustment in Dollars per Kwh
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
January 2010	0.344	(0.024)	0.00344
February	0.436	0.092	0.00436

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