

April 20, 2010

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

Re: Fuel Clause Adjustment (FCA)
Case No. PU-10-__

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	\$0.02025
Base Cost/Kwh Included in Current Rates	0.01303
Total Billing Adjustment	<u>\$0.00722</u>

The net effect of this FCA is to decrease the rate by 0.010 cents per Kwh for service rendered in the month of May 2010. All of North Dakota's electric customers will be affected by this proposal. There were 75,439 electric customers in North Dakota as of March 31, 2010.

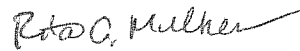
The slight decrease in the FCA for May is due to a change in volumes.

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,



Rita A. Mulkern
Regulatory Analysis Manager

Attachment

**MONTANA-DAKOTA UTILITIES CO.
FUEL COST ADJUSTMENT - NORTH DAKOTA
MAY 2010 BILLING ADJUSTMENT SUMMARY**

	<u>Amount</u>
Current cost per Kwh 1/	\$0.02049
Surcharge Adjustment	<u>(0.00024)</u>
Total Cost per Kwh	\$0.02025
Less: Base Cost 2/	<u>0.01303</u>
Total Fuel Cost Adjustment	<u><u>\$0.00722</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
MAY 2010 BILLING ADJUSTMENT**

	2009	2010			Total
	December	January	February	March	
Fuel & Purchased Power Costs					
Account 151 and Natural Gas Used for Generation	\$3,970,898	\$4,145,437	\$4,184,838	\$3,990,411	\$16,291,584
Account 555 (Excludes Demand) 1/	1,052,923	1,367,607	462,155	330,746	3,213,431
Total Energy Related Costs	\$5,023,821	\$5,513,044	\$4,646,993	\$4,321,157	\$19,505,015
Fuel Costs - Sales for Resale	94,533	209,740	203,813	181,931	690,017
Net System Costs	\$4,929,288	\$5,303,304	\$4,443,180	\$4,139,226	\$18,814,998
Kwh Retail Sales	220,383,892	248,703,439	215,432,271	233,633,942	918,153,544
Cost Per Kwh	\$0.02237	\$0.02132	\$0.02062	\$0.01772	<u>\$0.02049</u>

MONTANA-DAKOTA UTILITIES CO.
ACCOUNT 555
MAY 2010 BILLING ADJUSTMENT

Account No.	Account Description	2009	2010		
		December	January	February	March
555.111	Day-Ahead Asset Energy	\$978,853	\$586,949	(\$289,493)	\$93,699
555.114	Real-Time Asset Energy	(150,348)	(203,495)	56,324	(210,722)
555.117	Real-Time Excessive Energy	(288)	(4)	(158)	(41)
555.118	Real-Time Non-Excessive Energy	(232,062)	276,900	232,789	187,525
555.1211	Day-Ahead Asset Congestion	163,241	312,723	35,592	(9,025)
555.1215	Real-Time Asset Congestion	(658)	7,362	(509)	12,804
555.1219	Real-Time Non-Excessive Congestion	(39,702)	(191,178)	(12,402)	(15,408)
555.1230	Revenue Rights Transaction	(4,445)	(4,445)	(4,445)	(3,148)
555.1232	Revenue Rights Infeasible Uplift	169	169	169	1,118
555.1233	Revenue Rights Stage 2 Distribution	(19,969)	(19,975)	(19,973)	(53,748)
555.130	Real-Time Non-Excessive Loss	3,503	(26,893)	(21,299)	(30,793)
555.131	Day-Ahead Asset Loss	175,662	313,896	289,109	193,264
555.135	Real-Time Asset Loss	189,164	275,148	195,611	207,255
555.136	Real-Time Distribution of Loss	(85,112)	(61,304)	(76,512)	(57,113)
555.151	Day-Ahead Rev Suff Guarantee Distribution	11,458	9,844	5,681	3,793
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	0	(1,825)	0	0
555.153	Real-Time Miscellaneous	1,206	9	9	(642)
555.154	Real-Time Net Inadvertent Distribution	1,843	5,890	4,040	4,392
555.155	Real-Time Revenue Neutrality Uplift	39,386	28,244	10,119	24,072
555.156	R-T Rev Suff Guarantee First Pass Distribution	11,617	66,541	9,585	22,173
555.157	R-T Rev Suff Guarantee Make Whole Payment	(16,051)	(30,943)	0	(48,730)
555.159	Day Ahead Schedule 24	5,306	5,403	5,397	5,348
555.160	Real Time Schedule 24	484	389	215	443
555.162	Real Time Price Volume Make Whole Payment	(7,099)	(14,799)	(2,508)	(17,725)
555.1700	Day-Ahead Regulation Amount	(327)	(556)	(53)	(1,782)
555.1701	Day-Ahead Spinning Reserve Amount	(2,765)	(3,422)	(394)	(15,205)
555.1702	Day-Ahead Supplemental Reserve Amount	(1,022)	0	0	(10,061)
555.1710	Real-Time Net Regulation Adjustment	16	(5)	(7)	23
555.1711	Real-Time Excessive Deficient Energy Deployment	220	35	62	5
555.1713	Real-Time Regulation Amount	51	(139)	(769)	(2,365)
555.1714	Real-Time Spinning Reserve Amount	(1,477)	(2,478)	(1,236)	(2,779)
555.1715	Real-Time Supplemental Reserve Amount	117	0	0	2,775
555.1716	Real-Time Regulation Cost Distribution	19,003	21,209	22,875	20,859
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	11,988	17,194	21,594	18,851
555.1718	Real-Time Supplemental Reserve Cost Distribution	961	1,163	2,742	11,634
Total Account 555 Charges		<u>\$1,052,923</u>	<u>\$1,367,607</u>	<u>\$462,155</u>	<u>\$330,746</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 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
March	0.547	0.111	0.00547
April	0.732	0.185	0.00732
May	0.722	(0.010)	0.00722

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