



**UTILITIES CO.**

A Division of MDU Resources Group, Inc.

400 North Fourth Street

Bismarck, ND 58501

(701) 222-7900

July 6, 2010

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

Re: Application and Notice of Change  
in General Electric Rates  
Case No. PU-10-124

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith submits an Update and Amendment to its Application to increase its rates for electric service in North Dakota filed on April 19, 2010 and designated as Case No. PU-10-124.

This update and amendment, filed in accordance with N.D.C.C §49-05-04.1(3), is necessary to reflect a material change in the 2010 test year costs underlying the increase in rates originally proposed. Montana-Dakota herewith amends its Application to eliminate the Big Stone II generation development costs that have been addressed in Case No. PU-09-733 where the Commission authorized recovery of the Big Stone II project in its Order Adopting Settlement issued on June 25, 2010.

Attached hereto are the Amended testimonies of Ms. Rita A. Mulkern and Ms. Tamie A. Aberle along with Amended Exhibits and Statements reflecting the changes in the electric revenue requirement and proposed rates as a result of the elimination of the Big Stone II project costs.

Montana-Dakota proposes an amended total annual increase of \$13,300,123 or 12 percent, based on a 2010 future test year excluding the Big Stone II project costs. The proposed change in rates will affect customer classes as follows:

83 PU-10-124 Filed: 11/8/2010 Pages: 866  
MDU Exhibit 1

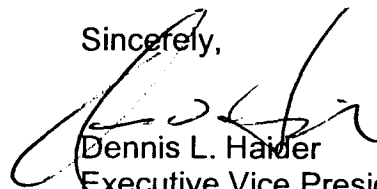
**For complete Application  
see docket No. 1**

<b>Customer Class</b>	<b>Revenue Increase</b>	
	<b>\$</b>	<b>%</b>
Residential Service	\$5,593,260	12.2%
Small General Service	1,102,208	12.8%
General Service	6,190,929	11.7%
Municipal Lighting	168,726	11.9%
Municipal Pumping	182,240	10.7%
Outdoor Lighting Service	62,760	12.7%
Total North Dakota Electric	<u>\$13,300,123</u>	<u>12.0%</u>

The original and seven (7) copies of this Letter of Transmittal, Amended Testimony and Exhibits, and Statements are hereby filed with the North Dakota Public Service 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,



Dennis L. Haider  
Executive Vice President – Regulatory,  
Gas Supply and Business Development

Attachments