

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Montana-Dakota Utilities Co., a Division of MDU
Resources Group, Inc.
Electric Rate Increase
Application**

Case No. PU-10-124

**NOTICE OF HEARING AND
NOTICE OF INTENT TO CONSIDER INFORMATION NOT PRESENTED AT A HEARING**

March 24, 2011

On April 19, 2010, Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (MDU) filed an application to increase its rates for electric utility service to provide additional annual revenue of \$15,396,303 or a 14% increase over current rates. The proposed monthly increase for a residential customer using 750 kilowatt-hours in a month is \$7.63.

On June 16, 2010 the Commission issued a Notice of Hearing and Notice of Public Input Sessions scheduling a public hearing in this matter beginning November 8, 2010 at 8:30 a.m. CDT (7:30 a.m. MDT) in the Commission hearing room, State Capitol, 12th Floor, Bismarck, North Dakota 58505. The public input sessions and hearing were held as scheduled.

On March 14, 2011, MDU filed a Settlement Agreement executed by MDU and the North Dakota Public Service Commission Advocacy Staff (Staff) that, in conjunction with prior settlement agreements between Staff and MDU, resolves the issues raised by MDU's application to increase its rates for electric utility service. On March 15, 2011, Missouri Valley Resource Council, an intervenor in the case, filed a copy of the Settlement Agreement executed by Missouri Valley Resource Council.

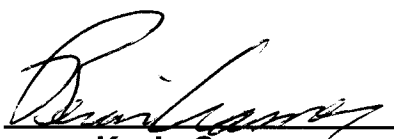
An attachment to the Settlement Agreement includes information that was not presented at the hearing held beginning November 8, 2010. The information is identified as a comparison of the results of cost modeling for generation resource scenarios. The Commission intends to consider this information for its consideration of the Settlement Agreement, in accordance with N.D.C.C. Section 28-32-25, subject to objections that may be raised at the hearing. N.D.C.C. Section 28-32-25 provides parties a right to examine the information the Commission intends to consider, present their own information or evidence, and cross-examine the person furnishing the information or evidence. Any party desiring to present evidence or information in response to the information attached to the settlement agreement, or desiring to cross-examine the person furnishing that information, may do so at the hearing noticed below.

A **public hearing** for the Commission's consideration of the Settlement Agreement will be held beginning **May 5, 2011 at 1:00 p.m. CDT** in the **Commission hearing room, State Capitol, 12th Floor, Bismarck, North Dakota 58505**. The issue to be considered in this matter is whether the Settlement Agreement should be approved and adopted by the Commission for the determination of MDU's application to increase its rates for electric utility service?

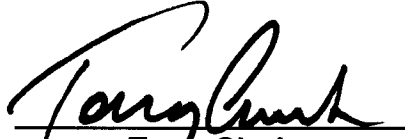
For more information or a copy of the Settlement Agreement, contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or 877-245-6685 (toll free in North Dakota), or Relay North Dakota 1-800-366-6888 TTY.

If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify the Commission at least 24 hours in advance of the hearing.

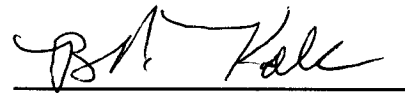
PUBLIC SERVICE COMMISSION



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Chairman



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