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March 30, 2011

**RECEIVED**

MAR 31 2011

**PUBLIC SERVICE COMMISSION**

Executive Secretary  
ND Public Service Commission  
State Capitol Building  
Bismarck, ND 58505

Re: Montana-Dakota Utilities Co.'s Application  
for a Corridor Certificate and a Route  
Permit for a 230 kV transmission line in  
Dickey and McIntosh counties, North  
Dakota - Case No. PU-10-164

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (Montana-Dakota) submitted an Application for a Corridor Certificate and Route Permit for a 230 kV Transmission Line and an Application for a Waiver of Procedures and Time Schedules (Application) pursuant to North Dakota Century Code 49-22-08, 49-22-08.1 and 49-22-07.2, under the Energy Conversion and Transmission Facility Siting Act, and promulgated rules on February 7, 2011.

A check payable to the North Dakota Public Service Commission in the amount of \$92,500 was enclosed with the Company's Application based on the Commission's standard for establishing the filing fee required at \$5,000 per \$1 million investment. The filing fee submitted on February 7, 2011 represents an increase over the filing fee set by the Commission on June 2, 2010, pursuant to Montana-Dakota's Letter of Intent filed on May 19, 2010 in this case, as the new interconnecting substation was inadvertently omitted from the project cost estimate underlying the Commission's original fee assessment.

The filing fee of \$92,500 was based on an estimated construction cost for the new transmission line and the new interconnecting substation of \$18,465,000 equating to a

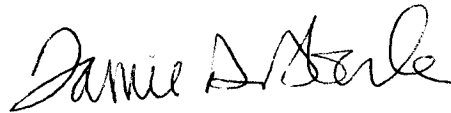
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**Letter explanation of Application fee**

filing fee of \$92,500. A current estimate based on the total estimated construction costs of \$20,650,000, provided in the Company's Application dated February 7, 2011, less the estimated cost for upgrades to the existing substation and transformer (not subject to siting requirements) would equate to a filing fee of \$87,000 as shown below:

Total Estimated Construction Cost	\$20,650,000
Existing Ellendale Substation Upgrades & Transformer	<u>3,300,000</u>
	\$17,350,000
Multiple of \$1 million	17.4
Fee of \$5,000 per \$1 million investment	\$87,000

In summary, I apologize for the initial error in the Letter of Intent filing and not explaining the calculation in the February 7, 2011 Application. However, as shown above a sufficient filing fee has been submitted for this Application. If you have any questions, or need additional information, please contact me at 701-222-7856.

Sincerely,



Tamie A. Aberle  
Regulatory Affairs Manager