

September 23, 2011

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

PUBLIC SERVICE COMMISSION

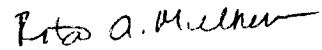
Re: Montana-Dakota Utilities Co.'s Corridor
Certification Relating to Order Provisions-
Transmission Facility Siting
Case No. PU-10-164

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., hereby advises the North Dakota Public Service Commission (Commission) that construction of Montana-Dakota's interconnection substation for the Merricourt project, approved as part of the permits issued in the above referenced case, started on July 25, 2011. This substation grading was started before a preconstruction conference was held with Montana-Dakota and a representative of the Commission Staff as required by Item #2 in the Certification Relating To Order Provisions – Transmission Facility Siting (Case No. PU-10-164). Upon discovery of this oversight, a preconstruction meeting was held on September 14, 2011. Tom Crary (Montana-Dakota construction supervisor), Tanner Seibel (Montana-Dakota representative), and Jerry Lein (Commission representative) attended the preconstruction meeting.

Montana-Dakota's Project Managers attest that all construction work is being accomplished in accordance with the Certification Relating To Order Provisions – Transmission Facility Siting (Case No. PU-10-164). Attachment A is a detailed report of all construction activity completed prior to September 14, 2011. All future construction activity for the interconnecting substation and the transmission line will be reported to the Commission on a weekly basis as required. A preconstruction meeting for the transmission line was held on September 13, 2011 and transmission line construction commenced on September 15, 2011.

Montana-Dakota has addressed the deficiency and apologizes for the oversight. If you have any questions, or need additional information, please contact Tamie Aberle at 701-222-7856.

Sincerely,



Rita A. Mulkern
Regulatory Affairs Manager

Attachment

**Montana-Dakota Utilities Co.
Merricourt Substation construction activities
(July 25 – September 14, 2011)**

- July 25, 2011 – Construction started on the grading of the access road
- August 4, 2011 – Moved barbed wire fence up to the property line to allow the road to be built in the easement
- September 9, 2011 – Grading construction complete
- September 12, 2011 – Foundation construction and security fence installation begin
- September 14, 2011 – Construction conference call held between Montana-Dakota and ND PSC representative