



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

April 15, 2011

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

Re: Fuel Clause Adjustment (FCA)
Case No. PU-11-__

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	\$0.02033
Base Cost/Kwh Included in Current Rates	0.01303
Total Billing Adjustment	\$0.00730
Deferred generation development costs	0.00201
Total Adjustment billed under Rate 58	\$0.00931

The net effect of this FCA is to decrease the rate by 0.073 cents per Kwh for service rendered in the month of May 2011. All of North Dakota's electric customers will be affected by this proposal. There were 77,596 electric customers in North Dakota as of March 31, 2011.

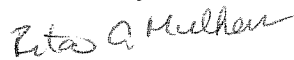
The decrease in the FCA for May is caused by the fact that the higher cost month of November, used in the April calculation, was replaced by the lower cost month of March. The adjustment also reflects the Big Stone II development costs authorized in Case Nos. PU-09-731 and PU-09-733.

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 in the amount of \$600.00 on October 14, 2010. 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 Affairs Manager

Attachment

**MONTANA-DAKOTA UTILITIES CO.
FUEL COST ADJUSTMENT - NORTH DAKOTA
MAY 2011 BILLING ADJUSTMENT SUMMARY**

	<u>Amount</u>
Current cost per Kwh 1/	\$0.02001
Surcharge Adjustment	<u>0.00032</u>
Total Cost per Kwh	\$0.02033
Less: Base Cost 2/	<u>0.01303</u>
Total Fuel Cost Adjustment	<u><u>\$0.00730</u></u>
Deferred generation development costs 3/	\$0.00201
Total Adjustment billed under Rate 58	<u><u>\$0.00931</u></u>

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2/ Base cost of fuel per Case No. PU-399-03-296, Order dated December 18, 2003.

3/ Development costs associated with Big Stone II pursuant to Order Adopting Settlement dated June 28, 2010 in Case Nos. PU-09-731 and PU-09-733.

**MONTANA-DAKOTA UTILITIES CO.
FUEL COST ADJUSTMENT - NORTH DAKOTA
MAY 2011 BILLING ADJUSTMENT**

	2010	2011			Total
	December	January	February	March	
Fuel & Purchased Power Costs					
Account 151 and Natural Gas Used for Generation	\$4,146,903	\$4,446,609	\$3,540,094	\$3,695,132	\$15,828,738
Account 555 (Excludes Demand) 1/	1,213,089	837,641	1,142,682	885,228	4,078,640
Total Energy Related Costs	\$5,359,992	\$5,284,250	\$4,682,776	\$4,580,360	\$19,907,378
Fuel Costs - Sales for Resale	22,122	70,553	42,287	15,262	150,224
Net System Costs	\$5,337,870	\$5,213,697	\$4,640,489	\$4,565,098	\$19,757,154
Kwh Retail Sales	243,363,311	263,958,201	230,686,955	249,404,629	987,413,096
Cost Per Kwh	\$0.02193	\$0.01975	\$0.02012	\$0.01830	\$0.02001

MONTANA-DAKOTA UTILITIES CO.
ACCOUNT 555
MAY 2011 BILLING ADJUSTMENT

Account No.	Account Description	2010	2011		
		December	January	February	March
555.1	Purchased Power				\$14,000
555.111	Day-Ahead Asset Energy	\$1,578,144	\$1,092,663	\$1,734,164	1,734,986
555.112	Day-Ahead Non-Asset Energy	144,427			
555.114	Real-Time Asset Energy	17,462	190,587	(64,380)	19,528
555.115	Real-Time Non-Asset Energy	(147,279)			
555.117	Real-Time Excessive Energy	(107)	13	(13)	(21)
555.118	Real-Time Non-Excessive Energy	(273,539)	(513,773)	(388,762)	(577,900)
555.1211	Day-Ahead Asset Congestion	(173,401)	(110,579)	(332,837)	(462,980)
555.1213	Day-Ahead Non-Asset Congestion	(7,649)			
555.1215	Real-Time Asset Congestion	(9,046)	(3,134)	8,435	(12,788)
555.1217	Real-Time Non-Asset Congestion	(7,347)			
555.1219	Real-Time Non-Excessive Congestion	(2,741)	12,304	164,158	50,028
555.1221	Financial Transmission Rights Hourly Allocation	(69)			168
555.1223	Financial Transmission Rights Monthly Allocation	(117)			
555.1226	Financial Transmission Rights Funding Guarantee Amt	117			(14)
555.1227	Financial Transmission Rights Guarantee Uplift Amt	(117)			14
555.1230	Revenue Rights Transaction	(133)	(133)	(133)	(2,168)
555.1231	Annual Transaction				253
555.1232	Revenue Rights Infeasible Uplift	29	29	29	533
555.1233	Revenue Rights Stage 2 Distribution	(62,205)	(61,914)	(61,923)	(51,126)
555.130	Real-Time Non-Excessive Loss	17,117	38,323	53,370	62,551
555.131	Day-Ahead Asset Loss	62,098	87,392	(16,720)	13,584
555.133	Day-Ahead Non-Asset Loss	(14,693)			
555.135	Real-Time Asset Loss	76,715	54,804	72,170	64,087
555.136	Real-Time Distribution of Loss	(59,574)	(60,432)	(53,395)	(56,546)
555.138	Real-Time Non-Asset Loss	7,353			
555.151	Day-Ahead Rev Suff Guarantee Distribution	7,556	13,422	8,136	11,006
555.153	Real-Time Miscellaneous	(535)	(1,233)	535	877
555.154	Real-Time Net Inadvertent Distribution	(16,086)	(4,836)	9,473	(3,015)
555.155	Real-Time Revenue Neutrality Uplift	48,447	41,806	17,475	50,649
555.156	R-T Rev Suff Guarantee First Pass Distribution	35,345	43,581	21,758	21,205
555.157	R-T Rev Suff Guarantee Make Whole Payment			(27,640)	
555.159	Day Ahead Schedule 24	5,543	5,381	4,616	4,856
555.160	Real Time Schedule 24	538	492	504	485
555.162	Real Time Price Volume Make Whole Payment	(24,884)	(14,977)	(22,161)	(15,213)
555.1700	Day-Ahead Regulation Amount	(1,989)	(1,976)	(3,528)	(5,036)
555.1701	Day-Ahead Spinning Reserve Amount	(543)	(861)	(3,136)	(12,482)
555.1710	Real-Time Net Regulation Adjustment	283	65	406	115
555.1711	Real-Time Excessive Deficient Energy Deployment	12	8	(3)	31
555.1713	Real-Time Regulation Amount	(1,605)	(74)	(1,231)	1,734
555.1714	Real-Time Spinning Reserve Amount	(11,186)	(813)	(341)	3,141
555.1716	Real-Time Regulation Cost Distribution	16,089	17,852	12,386	14,637
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	6,605	9,755	7,577	11,546
555.1718	Real-Time Supplemental Reserve Cost Distribution	4,054	3,899	3,693	4,503
Total Account 555 Charges		<u>\$1,213,089</u>	<u>\$837,641</u>	<u>\$1,142,682</u>	<u>\$885,228</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 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
June	0.674	(0.048)	0.00674
July	0.712	0.038	0.00712
August	0.962	0.250	0.00962
September	1.222	0.260	0.01222
October	1.385	0.163	0.01385
November	1.115	(0.270)	0.01115
December	1.114	(0.001)	0.01114
January 2011	0.977	(0.137)	0.00977
February	0.868	(0.109)	0.00868
March	1.005	0.137	0.01005
April	1.004	(0.001)	0.01004
May	0.931	(0.073)	0.00931

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