



# MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

May 13, 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	\$0.01905
Base Cost/Kwh Included in Current Rates	<u>0.01303</u>
Total Billing Adjustment	\$0.00602
Deferred generation development costs	<u>0.00201</u>
Total Adjustment billed under Rate 58	\$0.00803

The net effect of this FCA is to decrease the rate by 0.128 cents per Kwh for service rendered in the month of June 2011. All of North Dakota's electric customers will be affected by this proposal. There were 77,659 electric customers in North Dakota as of April 30, 2011.

The decrease in the FCA for June is caused by the fact that the higher cost month of December, used in the May calculation, was replaced by the lower cost month of April. 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  
JUNE 2011 BILLING ADJUSTMENT SUMMARY**

	<u>Amount</u>
Current cost per Kwh 1/	\$0.01873
Surcharge Adjustment	<u>0.00032</u>
Total Cost per Kwh	\$0.01905
Less: Base Cost 2/	<u>0.01303</u>
Total Fuel Cost Adjustment	<u><u>\$0.00602</u></u>
Deferred generation development costs 3/	\$0.00201
Total Adjustment billed under Rate 58	<u><u>\$0.00803</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  
JUNE 2011 BILLING ADJUSTMENT**

	2011				Total
	January	February	March	April	
Fuel & Purchased Power Costs					
Account 151 and Natural Gas Used for Generation	\$4,446,609	\$3,540,094	\$3,695,132	\$2,708,043	\$14,389,878
Account 555 (Excludes Demand) 1/	837,641	1,142,682	885,228	750,423	3,615,974
Total Energy Related Costs	\$5,284,250	\$4,682,776	\$4,580,360	\$3,458,466	\$18,005,852
Fuel Costs - Sales for Resale	70,553	42,287	15,262	2,741	130,843
Net System Costs	\$5,213,697	\$4,640,489	\$4,565,098	\$3,455,725	\$17,875,009
Kwh Retail Sales	263,958,201	230,686,955	249,404,629	210,144,367	954,194,152
Cost Per Kwh	\$0.01975	\$0.02012	\$0.01830	\$0.01644	<u>\$0.01873</u>

**MONTANA-DAKOTA UTILITIES CO.  
ACCOUNT 555  
JUNE 2011 BILLING ADJUSTMENT**

Account No.	Account Description	2011			
		January	February	March	April
555.1	Purchased Power			\$14,000	(\$14,000)
555.111	Day-Ahead Asset Energy	\$1,092,663	\$1,734,164	1,734,986	2,005,575
555.114	Real-Time Asset Energy	190,587	(64,380)	19,528	(81,640)
555.117	Real-Time Excessive Energy	13	(13)	(21)	(63)
555.118	Real-Time Non-Excessive Energy	(513,773)	(388,762)	(577,900)	(579,415)
555.1211	Day-Ahead Asset Congestion	(110,579)	(332,837)	(462,980)	(681,452)
555.1215	Real-Time Asset Congestion	(3,134)	8,435	(12,788)	17,203
555.1219	Real-Time Non-Excessive Congestion	12,304	164,158	50,028	105,197
555.1221	Financial Transmission Rights Hourly Allocation			168	(699)
555.1223	Financial Transmission Rights Monthly Allocation				(15)
555.1225	Financial Transmission Rights Yearly Allocation				(360)
555.1226	Financial Transmission Rights Funding Guarantee Amt			(14)	309
555.1227	Financial Transmission Rights Guarantee Uplift Amt			14	1,591
555.1230	Revenue Rights Transaction	(133)	(133)	(2,168)	(2,168)
555.1231	Annual Transaction			253	253
555.1232	Revenue Rights Infeasible Uplift	29	29	533	533
555.1233	Revenue Rights Stage 2 Distribution	(61,914)	(61,923)	(51,126)	(51,022)
555.130	Real-Time Non-Excessive Loss	38,323	53,370	62,551	78,130
555.131	Day-Ahead Asset Loss	87,392	(16,720)	13,584	(102,877)
555.135	Real-Time Asset Loss	54,804	72,170	64,087	37,928
555.136	Real-Time Distribution of Loss	(60,432)	(53,395)	(56,546)	(36,243)
555.151	Day-Ahead Rev Suff Guarantee Distribution	13,422	8,136	11,006	8,322
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt				(2,242)
555.153	Real-Time Miscellaneous	(1,233)	535	877	(0)
555.154	Real-Time Net Inadvertent Distribution	(4,836)	9,473	(3,015)	(89)
555.155	Real-Time Revenue Neutrality Uplift	41,806	17,475	50,649	47,434
555.156	R-T Rev Suff Guarantee First Pass Distribution	43,581	21,758	21,205	15,477
555.157	R-T Rev Suff Guarantee Make Whole Payment		(27,640)		(281)
555.159	Day Ahead Schedule 24	5,381	4,616	4,856	4,178
555.160	Real Time Schedule 24	492	504	485	580
555.162	Real Time Price Volume Make Whole Payment	(14,977)	(22,161)	(15,213)	(19,989)
555.1700	Day-Ahead Regulation Amount	(1,976)	(3,528)	(5,036)	(15,880)
555.1701	Day-Ahead Spinning Reserve Amount	(861)	(3,136)	(12,482)	(32,299)
555.1710	Real-Time Net Regulation Adjustment	65	406	115	89
555.1711	Real-Time Excessive Deficient Energy Deployment	8	(3)	31	13
555.1713	Real-Time Regulation Amount	(74)	(1,231)	1,734	3,611
555.1714	Real-Time Spinning Reserve Amount	(813)	(341)	3,141	12,719
555.1716	Real-Time Regulation Cost Distribution	17,852	12,386	14,637	15,482
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	9,755	7,577	11,546	11,659
555.1718	Real-Time Supplemental Reserve Cost Distribution	3,899	3,693	4,503	4,874
Total Account 555 Charges		<u>\$837,641</u>	<u>\$1,142,682</u>	<u>\$885,228</u>	<u>\$750,423</u>

**MONTANA-DAKOTA UTILITIES CO.  
INFORMATIONAL SUPPLEMENT  
TO RATE 58  
NORTH DAKOTA**

	Current Adjustment in Cents per Kwh	Amount of Change in Cents per Kwh	Current Adjustment in Dollars per Kwh
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
June	0.803	(0.128)	0.00803

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