



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

ORIGINAL

RECEIVED

JUL 12 2011

July 11, 2011

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

PUBLIC SERVICE COMMISSION

Re: Case No. PU-11-234
2011-2012 Avoided Cost Updates

On June 13, 2011 Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group Inc., submitted updates to its Occasional Power Purchase Non-Time Differentiated Rate 95 and Parallel Generation Peaking Facility Purchase Rate 96 for Commission approval to reflect avoided costs for 2011-2012.

Montana-Dakota recently discovered an error in the levelized fixed charge rate utilized to calculate capacity payments applicable under Rate 96 and herewith submits a revised 9th Revised Sheet No. 45 to reflect this correction. There are no customers affected by this correction.

An original and seven copies of this letter and a corrected 9th Revised Sheet No. 45 dated July 11, 2011 are enclosed. Montana-Dakota requests approval of this corrected tariff sheet along with the following tariff sheets submitted on June 13, 2011:

- 9th Revised Sheet No. 44
- 8th Revised Sheet No. 44.1
- 1st Revised Sheet No. 44.2
- 10th Revised Sheet No. 45.1
- 8th Revised Sheet No. 45.2
- 2nd Revised Sheet No. 45.3

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,

Tamie A. Aberle
Regulatory Affairs Manager

Attachments
cc: D. Kuntz



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4
9th Revised Sheet No. 45
Canceling 8th Revised Sheet No. 45

PARALLEL GENERATION PEAKING FACILITY PURCHASE Rate 96 TIME DIFFERENTIATED

Page 1 of 4

Availability:

To any qualifying cogeneration and small power production facilities for the purpose of generating electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 1000 Kw or less, that operate as a peaking facility (defined below), and are Qualifying Facilities (QF) as defined under 18 CFR, Part 292.

I. FACILITIES CAPABLE OF PROVIDING DISPATCHABLE CAPACITY AT THE TIME OF COMPANY'S SUMMER PEAK

Rate:

Metering charge for single phase service: \$ 5.20 per month
With instrument transformers: \$ 7.10 per month

Metering charge for three phase service: \$ 5.70 per month
With instrument transformers: \$ 8.50 per month

1. Capacity delivered to the Company:

QF has the option of one of two methods of payment for capacity:

- a. Actual avoided costs at the time of delivery, or
- b. Levelized payment for term of contract based on Table 1 below.

TABLE 1
Contract Length (YR.)

	5	10	15	20	25	30	35
\$/Kw-mo	10.276	10.962	11.624	12.254	12.847	13.398	13.905

Total capacity payment per month = The applicable contract length capacity payment from Table 1 times the maximum 1 hour capacity, as demonstrated by an annual capability test.

Date Filed: July 11, 2011

Effective Date:

Issued By: Tamie A. Aberle
Regulatory Affairs Manager

Case No.:



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

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Canceling 7th Revised Sheet No. 45

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Interim Rate Increase: ~~7.91% of amount billed under metering charge.~~

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	4.789	5.849	7.731	9.056	10.142	11.088	11.935

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