

September 23, 2011

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

Re: Notice of Intent to construct an 88 MW
Simple Cycle Combustion Turbine
Case No. PU-11-____

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (Montana-Dakota) submits this Letter of Intent to file an Application for a Certificate of Site Compatibility in accordance with North Dakota Century Code (NDCC) Section 49-22-07.1 and North Dakota Administrative Code (NDAC) Chapter 69-06-03-01.

Montana-Dakota is requesting that the Commission waive, pursuant to NDCC Section 49-22-07.2 and NDAC Chapter 69-06-03-01, the requirement to file the Letter of Intent at least one year prior to the filing of an application for a certificate, as Montana-Dakota anticipates that the siting application will be filed by January 2012. Due to the long lead time in the construction of generation facility, Montana-Dakota requires a waiver in order to complete the combustion turbine and related transmission facilities by March 1, 2015.

1. Description of the size and type of facility, and the area to be served.

Montana-Dakota is planning to construct a natural gas-fired 88 MW frame type Simple Cycle Combustion Turbine (SCCT) and the associated facilities necessary to interconnect it with Montana-Dakota's existing electric system (Project). The Project will be located adjacent to Montana-Dakota's R.M. Heskett Station North of Mandan, North Dakota and is required to meet the capacity requirements of Montana-Dakota's electric service customers served by its integrated electric system.

2. Map of the study area for the proposed site.

Please see Exhibit A for the map of the proposed site.

3. Anticipated construction and operation schedule.

Montana-Dakota plans to commence construction of the Project in April 2013 with a completion date for commercial operation of March 1, 2015. A more detailed timeline is included as Exhibit B.

4. Estimate of the total cost of construction.

The estimated cost of the Combustion Turbine and Transmission Interconnection, excluding Allowance for Funds Used During Construction (AFUDC), is \$56.6 million.

Please refer all inquiries regarding this filing to:

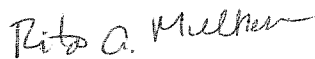
Ms. Tamie Aberle
Regulatory Affairs Manager
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501

Also, please send copies of all written inquiries, correspondence and pleadings to:

Mr. Daniel S. Kuntz
Associate General Counsel
MDU Resources Group, Inc.
P.O. Box 5650
Bismarck, ND 58506-5650

The original and ten (10) copies of this Letter of Intent are hereby filed with the Commission.

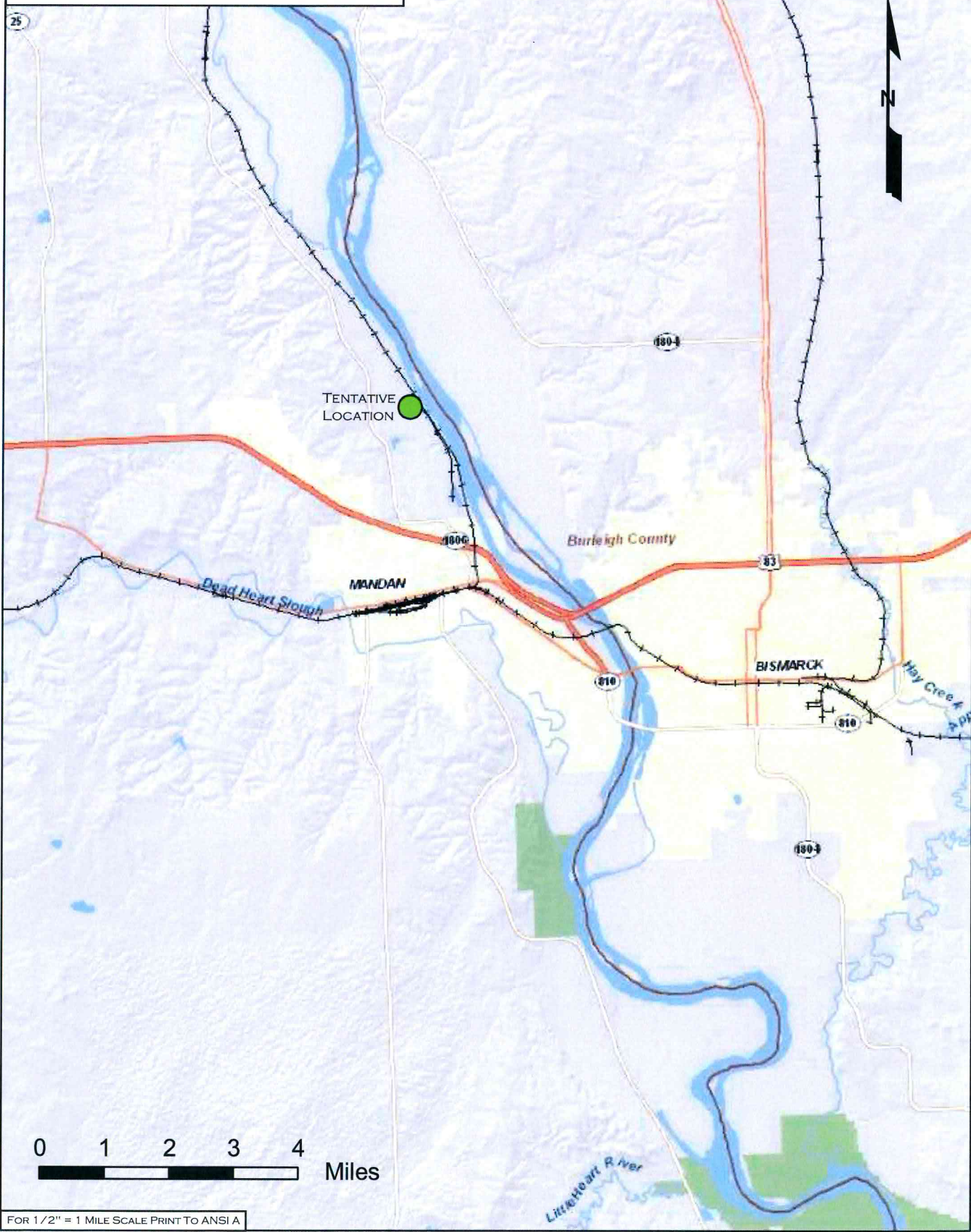
Sincerely,



Rita A. Mulkern
Regulatory Affairs Manager

Attachments

TENTATIVE LOCATION MAP FOR A PROPOSED NATURAL GAS SIMPLE CYCLE COMBUSTION TURBINE NEAR THE R.M. HESKETT STATION NORTH OF MANDAN, ND

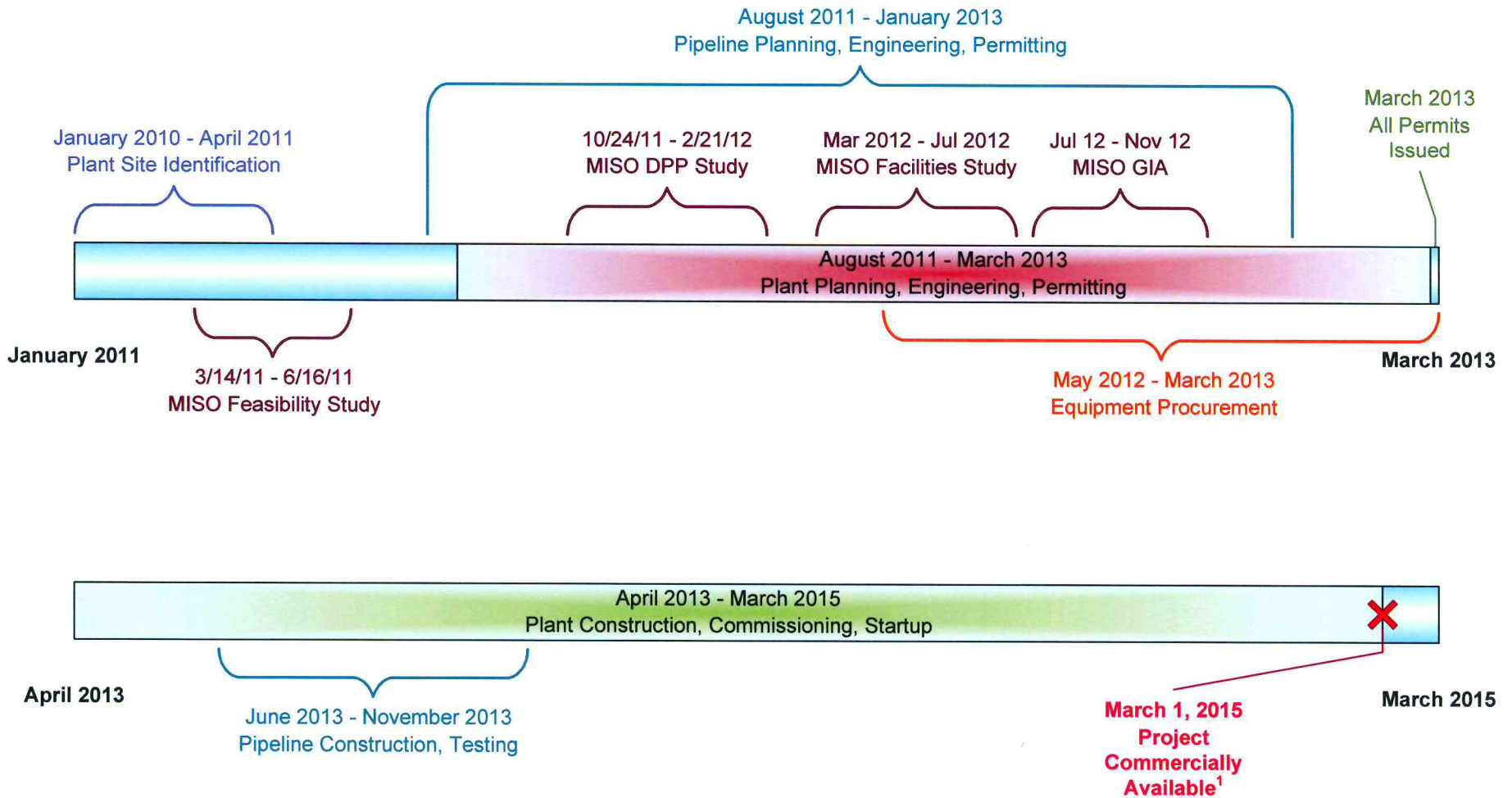


0 1 2 3 4 Miles

FOR 1/2" = 1 MILE SCALE PRINT TO ANSI A

EXHIBIT B

TIMELINE & MILESTONES FOR A PROPOSED NATURAL GAS SIMPLE CYCLE COMBUSTION TURBINE NEAR THE R.M. HESKETT STATION NORTH OF MANDAN, ND



¹ Commercially Available means the plant has achieved initial commercial production at 100% of rated capacity.

The timeline and milestones are preliminary and subject to change during detailed engineering.

