



MONTANA-DAKOTA
UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

February 27, 2012

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

Re: Case No. PU-11-681
 Application for Approval of a
 Transmission Cost Adjustment

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., herewith files an original and seven (7) copies of revisions to its Application for approval of a Transmission Cost Adjustment (Transmission Adjustment) pursuant to N.D.C.C. §49-05-04.3 and §49-05-06 originally submitted on October 21 2011. Montana-Dakota is submitting a revised Original Sheet No. 43.1 reflecting a change in the Transmission Cost Adjustment Rate by Class. This change is necessary to reflect the currently effective charges assessed to Montana-Dakota under the Midwest Independent System Operator's (MISO) currently effective Schedules 26 and 26A.

As shown on Revised Exhibits 2 and 3, the transmission expenses, net of revenue credits projected for 2012 now equate to \$373,202 as allocated to North Dakota. This results in the following charges per Kwh assuming a start date of May 1, 2012 for the collection of the Transmission Cost Adjustment:

		<u>\$/KWh</u>
Res & Small General	(Rates 10, 13, 20 & 25)	0.00035
Large General	(Rates 30, 31, 32, 38, 40, 48)	0.00029
Lighting	(Rates 41 & 52)	0.00020

The revised Transmission Tracking Adjustment results in an increase of approximately \$2.10 for the period May through December 2012 for a residential customer using 750 Kwh per month.

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

Revised Exhibit 1



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
Original Sheet No. 43.1

TRANSMISSION COST ADJUSTMENT Rate 59

Page 2 of 2

d. The true-up will reflect any over or under collection of revenue under the Transmission Adjustment from the preceding twelve month period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

3. Time and Manner of Filing:

Montana-Dakota shall file the Transmission Adjustment at least 30 days prior to the proposed effective date. The filing by Montana-Dakota shall be made by means of a revised Transmission Adjustment tariff sheet identifying the amounts of the adjustment, the derivation of the adjustment and the resulting Transmission Adjustment rate.

4. Transmission Cost Adjustment Rate by class:

Residential & Small General	0.035¢
Large General	0.029¢
Lighting	0.020¢

Date Filed: February 27, 2012

Effective Date:

Issued By: Tamie A. Aberle
Regulatory Affairs Manager

Case No.:

Tariffs Reflecting Proposed Changes



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
Original Sheet No. 43.1

RESERVED TRANSMISSION COST ADJUSTMENT Rate 59

Page 2 of 2

d. The true-up will reflect any over or under collection of revenue under the Transmission Adjustment from the preceding twelve month period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

3. Time and Manner of Filing:

Montana-Dakota shall file the Transmission Adjustment at least 30 days prior to the proposed effective date. The filing by Montana-Dakota shall be made by means of a revised Transmission Adjustment tariff sheet identifying the amounts of the adjustment, the derivation of the adjustment and the resulting Transmission Adjustment rate.

4. Transmission Cost Adjustment Rate by class:

<u>Residential & Small General</u>	<u>0.035¢</u>
<u>Large General</u>	<u>0.029¢</u>
<u>Lighting</u>	<u>0.020¢</u>

Date Filed:

Effective Date:

Issued By: Tamie A. Aberle
Regulatory Affairs Manager

Case No.:

**Montana-Dakota Utilities Co.
Electric Utility - North Dakota
Transmission Cost Adjustment Allocation by Class
Projected 2012**

	Embedded Class COS Study Factor No. 2 1/	Total Projected 2012 2/	Forecasted KWh 3/	\$/KWh
Res & Small General (Rates 10, 13, 20 & 25)	50.759749%	\$189,436	534,105,000	0.00035
Large General (Rates 30, 31, 32, 38, 40, 48)	48.279940%	180,182	611,918,000	0.00029
Lighting (Rates 41 & 52)	0.960311%	3,584	17,865,000	0.00020
	100.000000%	\$373,202	1,163,888,000	

1/ Case No. PU-10-124.

2/ Exhibit 3.

3/ May - December 2012 Forecasted Sales (KWh) excluding special contract sales.

Montana-Dakota Utilities Co.
North Dakota Transmission Cost Adjustment
MISO Schedule 26 and 26A Charges/Revenues
Projected 2012

Line	Projected												Projected Total
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	
1	\$43,663	\$43,663	\$43,663	\$43,663	\$43,663	\$43,663	\$43,663	\$43,663	\$43,663	\$43,663	\$43,663	\$43,663	\$523,956
2	4,623	4,621	4,621	4,621	4,621	4,621	4,621	4,621	4,621	4,621	4,621	4,621	55,454
3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
3	43,286	43,284	43,284	43,284	43,284	43,284	43,284	43,284	43,284	43,284	43,284	43,284	519,410
4													
5	\$31,102	\$31,100	\$31,100	\$31,100	\$31,100	\$31,100	\$31,100	\$31,100	\$31,100	\$31,100	\$31,100	\$31,100	\$373,202

1/ Allocated on Factor No. 15, Integrated System 12 Month Peak Demand.
71.8518390%