

THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No. _____

Form 1 Approved
OMB No.1902-0021
(Expires 12/31/2014)
Form 1-F Approved
OMB No.1902-0029
(Expires 12/31/2014)
Form 3-Q Approved
OMB No.1902-0205
(Expires 05/31/2014)



FERC FINANCIAL REPORT

FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

MDU Resources Group, Inc.

Year/Period of Report

End of 2011/Q4

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____, we have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-gas>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

- I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."


"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION		
01 Exact Legal Name of Respondent MDU Resources Group, Inc.		02 Year/Period of Report End of <u>2011/Q4</u>
03 Previous Name and Date of Change (if name changed during year) <p align="center">/ /</p>		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 400 North Fourth Street, Bismarck, North Dakota 58501-4092		
05 Name of Contact Person Nicole Kivisto		06 Title of Contact Person VP, Controller and CAO
07 Address of Contact Person (Street, City, State, Zip Code) 1200 West Century Ave, Bismarck, ND 58506-5650		
08 Telephone of Contact Person, including Area Code (701) 530-1035	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 12/31/2011
ANNUAL CORPORATE OFFICER CERTIFICATION		
<p>The undersigned officer certifies that:</p> <p>I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.</p>		
01 Name Nicole Kivisto	03 Signature  Nicole Kivisto	04 Date Signed (Mo, Da, Yr) 03/28/2012
02 Title VP, Controller and CAO	<p>Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.</p>	

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	N/A
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Information on Formula Rates	106(a)(b)	
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
15	Nuclear Fuel Materials	202-203	N/A
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	N/A
18	Electric Plant Held for Future Use	214	N/A
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224-225	
22	Materials and Supplies	227	
23	Allowances	228(ab)-229(ab)	228b&229b-N/A
24	Extraordinary Property Losses	230	N/A
25	Unrecovered Plant and Regulatory Study Costs	230	
26	Transmission Service and Generation Interconnection Study Costs	231	N/A
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250-251	
31	Other Paid-in Capital	253	N/A
32	Capital Stock Expense	254	
33	Long-Term Debt	256-257	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
36	Accumulated Deferred Investment Tax Credits	266-267	

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Lines Added During the Year	424-425	
68	Substations	426-427	
69	Transactions with Associated (Affiliated) Companies	429	
70	Footnote Data	450	

Stockholders' Reports Check appropriate box:

- Two copies will be submitted
- No annual report to stockholders is prepared

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	End of <u>2011/Q4</u>
		12/31/2011	

GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Nicole Kivisto - Vice President, Controller and Chief Accounting Officer
 400 North Fourth Street
 Bismarck, North Dakota 58501-4092

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Delaware - March 14, 1924

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

None

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric Service - Montana, North Dakota, South Dakota, and Wyoming
 Natural Gas Service - Minnesota, Montana, North Dakota, South Dakota, and Wyoming
 Propane Service - North Dakota
 Nonutility Operations - Minnesota, Montana, North Dakota, South Dakota, and Wyoming
 Gas Transmission - Minnesota and North Dakota

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) Yes...Enter the date when such independent accountant was initially engaged:
 (2) No

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CORPORATIONS CONTROLLED BY RESPONDENT

- Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
- If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
- If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

- See the Uniform System of Accounts for a definition of control.
- Direct control is that which is exercised without interposition of an intermediary.
- Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
- Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Centennial Energy Holdings, Inc. (1)	Holding Company	100	
2	MDU Energy Capital, LLC (1)	Holding Company	100	
3	Prairie Cascade Energy Holdings, LLC - Z	Holding Company	100	
4	Cascade Natural Gas Corporation - AH	Gas Utility Company	100	
5	CGC Resources, Inc. - AD	General Purposes	100	
6	Prairie Intermountain Energy Holdings, LLC - Z	Holding Company	100	
7	Intermountain Gas Company - U	Gas Utility Company	100	
8	Knife River Corporation - A	Construction Materials&Mining	100	
9	KRC Holdings, Inc. - B	Holding Company	100	
10	Alaska Basic Industries, Inc. - C	Construction Materials	100	
11	Ames Sand & Gravel, Inc. - T	Construction Materials	100	
12	Anchorage Sand and Gravel Company, Inc. - H	Construction Materials	100	
13	Baldwin Contracting Company, Inc. - C	Construction Materials	100	
14	Central Oregon Redi-Mix, LLC - O	Construction Materials	78	
15	Concrete, Inc. - C	Construction Materials	100	
16	Connolly-Pacific Co. - C	Construction Materials	100	
17	D S S Company - C	Construction Materials	100	
18	Fairbanks Materials, Inc. - H	Construction Materials	100	
19	Granite City Ready Mix, Inc. - C	Construction Materials	100	
20	Hawaiian Cement - I	Construction Materials	100	
21	JTL Group, Inc. - Montana - C	Construction Materials	100	
22	JTL Group, Inc. - Wyoming - C	Construction Materials	100	
23	Jebro Incorporated - C	Construction Materials	100	
24	Kent's Oil Service - C	Construction Materials	100	
25	Knife River Corporation - North Central - C	Construction Materials	100	
26	Knife River Corporation - Northwest - C	Construction Materials	100	
27	Knife River Corporation - South - C	Construction Materials	100	

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2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
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Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Knife River Dakota, Inc. - C	Construction Materials	100	
2	Knife River Equipment, Inc. - C	Construction Materials	100	
3	Knife River Hawaii, Inc. - C	Construction Materials	100	
4	Knife River Marine, Inc. - C	Construction Materials	100	
5	Knife River Midwest, LLC - C	Construction Materials	100	
6	LTM, Incorporated - C	Construction Materials	100	
7	Northstar Materials, Inc. - C	Construction Materials	100	
8	WHC, Ltd. - C	Construction Materials	100	
9	MDU Construction Services Group, Inc. - A	Holding Company	100	
10	BEH Electric Holdings, LLC - F	Holding Company	100	
11	Bell Electrical Contractors, Inc. - F	Construction Services	100	
12	BMH Mechanical Holdings, LLC - F	Holding Company	100	
13	Bombard Electric, LLC - AG	Construction Services	100	
14	Bombard Mechanical, LLC - AI	Construction Services	100	
15	Capital Electric Construction Company, Inc.-F	Construction Services	100	
16	Capital Electric Line Builders, Inc. - F	Construction Services	100	
17	Continental Line Builders, Inc. - F	Construction Services	100	
18	Coordinating and Planning Services, Inc. - F	Construction Services	100	
19	Desert Fire Holdings, Inc. - F	Holding Company	100	
20	Desert Fire Protection, LLC - AN	Holding Company	100	
21	Desert Fire Protection, a Nevada Limited Partnership - AO	Construction Services	100	
22				
23	Desert Fire Protection, Inc. - AN	Construction Services	100	
24	E.S.I., Inc. - P	Construction Services	100	
25	Frebco, Inc. - AM	Construction Services	100	
26	Hamlin Electric Company - Q	Construction Services	100	
27	Harp Engineering, Inc. - F	Engineering Services	100	

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CORPORATIONS CONTROLLED BY RESPONDENT

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3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Independent Fire Fabricators, LLC - AN	Construction Services	100	
2	International Line Builders, Inc. - F	Construction Services	100	
3	ILB Hawaii, Inc. - G	Construction Services	100	
4	LME&U Holdings, LLC - F	Holding Company	100	
5	Lone Mountain Excavation & Utilities, LLC - AF	Construction Services	100	
6	Loy Clark Pipeline Co. - F	Construction Services	100	
7	MDU Industrial Services, Inc. - F	Holding Company	100	
8	Midland Technical Crafts, Inc. - AM	Construction Services	100	
9	Oregon Electric Construction, Inc. - F	Construction Services	100	
10	Pouk & Steinle, Inc. - F	Construction Services	100	
11	Rocky Mountain Contractors, Inc. - F	Construction Services	100	
12	USI Industrial Services, Inc. - AM	Construction Services	100	
13	Wagner Group, Inc., The - F	Holding Company	100	
14	Wagner Industrial Electric, Inc. - AM	Holding Company	100	
15	Wagner-Smith Company, The - P	Construction Services	100	
16	Wagner-Smith Equipment Co. - F	Construction Services	100	
17	Wagner-Smith Pumps & Systems, Inc. - P	Construction Services	100	
18	Warner Enterprises, Inc. - F	Construction Services	100	
19	WBI Holdings, Inc. - A	Holding Company	100	
20	WBI Pipeline & Storage Group, Inc. - E	Holding Company	100	
21	Williston Basin Interstate Pipeline Company-L	Natural Gas Transmission	100	
22	WBI Canadian Pipeline, Ltd. - L	Natural Gas Trans & Storage	100	
23	Bitter Creek Pipelines, LLC - L	Natural Gas Gathering	100	
24	WBI Energy Services, Inc. - E	Holding Company	100	
25	Prairielands Magnetics Limited (f/k/a	Pipeline and Cable Mag/Locate	100	
26	Innovatum International Limited) - AE			
27	Prairielands Energy Marketing, Inc. - J	Energy Marketing	100	

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Fidelity Exploration & Production Company - E	Oil & Natural Gas Production	100	
2	Fidelity Oil Co. - K	Oil & Natural Gas Production	100	
3	Netricity LLC - V	Electric Generation	75	
4	Centennial Energy Resources LLC - A	Holding Company	100	
5	Centennial Energy Resources	Holding Company	100	
6	International, Inc. - D			
7	Centennial Holdings Capital LLC - A	Holding Company	100	
8	FutureSource Capital Corp. - R	Asset Management	100	
9	Nevada Solar Solutions, LLC - AL	Alternative Energy	100	
10	InterSource Insurance Company - R	Captive Insurance Company	100	
11	MDU Resources International LLC - W	Holding Company	100	
12	MDU Resources Luxembourg I LLC S.a.r.l. - W	Holding Company	100	
13	MDU Resources Luxembourg II LLC S.a.r.l. - AC	Holding Company	100	
14	MDU Brasil Ltda. - X	Holding Company	100	
15	(1)-Direct subsidiary of MDU Resources			
16	Group, Inc.			
17	A-100% held by Centennial Energy Holdings, Inc			
18	B-100% held by Knife River Corporation			
19	C-100% held by KRC Holdings, Inc.			
20	D-100% held by Centennial Energy Resources LLC			
21	E-100% held by WBI Holdings, Inc.			
22	F-100% held by MDU Construction Services			
23	Group, Inc.			
24	G-100% held by International Line Builders,			
25	Inc.			
26	H-100% held by Alaska Basic Industries, Inc.			
27	I-Partners include Knife River Hawaii, Inc.			

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Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	(50%) and Knife River Dakota, Inc. (50%)			
2	J-100% held by WBI Energy Services, Inc.			
3	K-100% held by Fidelity Exploration &			
4	Production Company			
5	L-100% held by WBI Pipeline & Storage			
6	Group, Inc.			
7	M-Reserved for future use			
8	N-Reserved for future use			
9	O-78% held by Knife River Corporation -			
10	Northwest			
11	P-100% held by The Wagner Group, Inc.			
12	Q-100% held by Rocky Mountain			
13	Contractors, Inc.			
14	R-100% held by Centennial Holdings			
15	Capital LLC			
16	S-Reserved for future use			
17	T-100% held by Knife River Corporation -			
18	North Central			
19	U-100% held by Prairie Intermountain			
20	Energy Holdings, LLC			
21	V-Equity interest held by Fidelity Exploration			
22	& Production Company			
23	W-100% held by Centennial Energy Resources			
24	International, Inc.			
25	X-99.9999% held by MDU Resources Luxembourg			
26	II LLC S.a.r.l. and .0001% held by			
27	Centennial Energy Resources International,			

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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CORPORATIONS CONTROLLED BY RESPONDENT

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Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Inc.			
2	Y-Entity was dissolved through merger with			
3	affiliate or dissolution			
4	Z-100% held by MDU Energy Capital, LLC			
5	AA-Equity interests sold to 3rd party			
6	AB-Reserved for future use			
7	AC-100% held by MDU Resources Luxembourg I			
8	LLC S.a.r.l.			
9	AD-100% held by Cascade Natural			
10	Gas Corporation			
11	AE-100% held by Prairielands Energy Marketing,			
12	Inc.			
13	AF-100% held by LME&U Holdings, LLC			
14	AG-100% held by BEH Electric Holdings, LLC			
15	AH-100% held by Prairie Cascade			
16	Energy Holdings, LLC			
17	AI-100% held by BMH Mechanical Holdings, LLC			
18	AJ-Reserved for future use			
19	AK-Reserved for future use			
20	AL-100% held by FutureSource Capital Corp.			
21	AM-100% held by MDU Industrial Services, Inc.			
22	AN-100% held by Desert Fire Holdings, Inc.			
23	AO-Partners include Desert Fire Protection,			
24	LLC (1%) and Desert Fire Holdings,			
25	Inc. (99%)			
26				
27				

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.

2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1			
2	President and Chief Executive Officer	Terry D. Hildestad	
3			
4	President and Chief Executive Officer of Montana-	David L. Goodin	
5	Dakota Utilities Co., Great Plains Natural Gas Co.,		
6	Cascade Natural Gas Corp. and Intermountain		
7	Gas Co.		
8			
9	Vice President - Administration	Cynthia J. Norland	
10			
11	Vice President - Human Resources	Mark Del Vecchio	
12			
13	General Counsel and Secretary	Paul K. Sandness	
14			
15	Vice President, Controller and Chief	Nicole A. Kivisto	
16	Accounting Officer		
17			
18	Vice President and Chief Financial Officer	Doran N. Schwartz	
19			
20	Vice President - Strategic Planning	John P. Stumpf	
21			
22	Vice President - Renewable Resources	William E. Connors	
23			
24	Treasurer and Assistant Secretary	Douglass A. Mahowald	
25			
26	Executive Vice President - Bakken Development	William E. Schneider	
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Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 26 Column: b

William E. Schneider was named Executive Vice President - Bakken Development effective January 1, 2012

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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DIRECTORS

- Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
- Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Harry J. Pearce, Chairman of the Board	Detroit, Michigan
2		
3	Terry D. Hildestad, President and Chief Executive Officer	Bismarck, North Dakota
4		
5	Thomas Everist	Sioux Falls, South Dakota
6		
7	Karen B. Fagg	Billings, Montana
8		
9	Dennis W. Johnson	Dickinson, North Dakota
10		
11	Richard H. Lewis	Denver, Colorado
12		
13	Patricia L. Moss	Bend, Oregon
14		
15	John K. Wilson	Omaha, Nebraska
16		
17	A. Bart Holaday	Placitas, New Mexico, and Grand Forks, North Dakota
18		
19	Thomas C. Knudson	Houston, Texas
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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates? Yes No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
1	Montana-Dakota Utilities Co.	Electric Rate Filing Establishing OATT
2	MonDak System	
3	FERC Electric Tariff 2nd Revised Volume No. 1	
4		
5	Midwest ISO FERC Electric Tariff	Electric Rate Filing
6	First Revised Volume No. 1	
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

Line No.	Accession No.	Document Date \ Filed Date	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
1	19990225-0444	02/24/1999	OA97-704	Open Access Transmissior	Schedule 7 and
2					Schedule 8 Superseded
3					by MISO Attachment O
4					
5	20020301-0303	02/27/2002	ER-02-1138	Umbrella Service Agreements with	MISO Attachment O
6				Montana-Dakota Utilities Co	
7					
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Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 1061 Line No.: 5 Column: e

MISO Attachment O Revisions:

<u>Formula</u>	<u>Rate</u>	<u>FERC</u>	<u>Rate</u>	<u>Schedule</u>	<u>Number or Tariff Number</u>	<u>Docket Number</u>
Midwest	ISO	FERC	Electric	Tariff	Original Volume No. 1	ER98-1438
Midwest	ISO	FERC	Electric	Tariff	First Revised Volume No. 1	ER98-1438
Midwest	ISO	FERC	Electric	Tariff	Second Revised Volume No. 1	ER04-458
Midwest	ISO	FERC	Electric	Tariff	Second Revised Volume No. 1	ER04-895
Midwest	ISO	FERC	Electric	Tariff	Second Revised Volume No. 1	ER05-122
Midwest	ISO	FERC	Electric	Tariff	Third Revised Volume No. 1	ER05-1085; ER04-458
Midwest	ISO	FERC	Electric	Tariff	Third Revised Volume No. 1	ER04-691; EL04-104
Midwest	ISO	FERC	Electric	Tariff	Third Revised Volume No. 1	ER06-159
Midwest	ISO	FERC	Electric	Tariff	Third Revised Volume No. 1	ER07-113
Midwest	ISO	FERC	Electric	Tariff	Fourth Revised Volume No. 1	OA08-4
Midwest	ISO	FERC	Electric	Tariff	Fourth Revised Volume No. 1	ER09-15
Midwest	ISO	FERC	Electric	Tariff	Third Revised Volume No. 1	ER09-91
Midwest	ISO	FERC	Electric	Tariff	Fourth Revised Volume No. 1	ER09-91; ER09-571
Midwest	ISO	FERC	Electric	Tariff	Fourth Revised Volume No. 1	ER09-1657
Midwest	ISO	FERC	Electric	Tariff	Fourth Revised Volume No. 1	ER09-1779
Midwest	ISO	FERC	Electric	Tariff	Fourth Revised Volume No. 1	ER10-1492
Midwest	ISO	FERC	Electric	Tariff	Fifth Revised Volume No. 1	ER11-2700
Midwest	ISO	FERC	Electric	Tariff	Fifth Revised Volume No. 1	ER11-3251
Midwest	ISO	FERC	Electric	Tariff	Fifth Revised Volume No. 1	ER11-3704

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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INFORMATION ON FORMULA RATES
Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

Line No.	Page No(s).	Schedule	Column	Line No
1	205 & 207	Electric Plant in Service		g 5 & 99
2	207	Electric Plant in Service		g 58
3	207	Electric Plant in Service		g 75
4	219	Accumulated Provision for Depreciation of		c 25
5		Electric Utility Plant		
6	219	Accumulated Provision for Depreciation of		c 26
7		Electric Utility Plant		
8	219	Accumulated Provision for Depreciation of		c 28
9		Electric Utility Plant		
10	234	Accumulated Deferred Income Taxes		c 8
11		(Account 190)		
12	263.1	Taxes Accrued, Prepaid and Charged During Year		i 10
13	263.1	Taxes Accrued, Prepaid and Charged During Year		i 11
14	263	Taxes Accrued, Prepaid and Charged During Year		i 37
15	263	Taxes Accrued, Prepaid and Charged During Year		i 20
16	263.1	Taxes Accrued, Prepaid and Charged During Year		i 15
17	275	Accumulated Deferred Income Taxes - Other		k 2
18		Property (Account 282)		
19	277	Accumulated Deferred Income Taxes - Other		k 9
20		(Account 283)		
21	321	Electric Operation and Maintenance Expenses		b 112
22	323	Electric Operation and Maintenance Expenses		b 197
23	336	Depreciation and Amortization of Electric Plan		b 7
24	336	Depreciation and Amortization of Electric Plan		b 10
25	336	Depreciation and Amortization of Electric Plan		b 11
26	356	Common Utility Plant and Expenses		
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Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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FOOTNOTE DATA			

Schedule Page: 1062 Line No.: 1 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 2 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 3 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 4 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 6 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 8 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 10 Column: a
Include electric portion of non-allocated account 190 and FAS 109
Schedule Page: 1062 Line No.: 12 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 13 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 14 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 15 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 16 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 17 Column: a
Include electric portion of common and FAS 109
Schedule Page: 1062 Line No.: 19 Column: a
Include bond costs, FAS 158 pension, unrealized gain/loss and FAS 109
Schedule Page: 1062 Line No.: 21 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 22 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 23 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 24 Column: a
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Schedule Page: 1062 Line No.: 25 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO
Schedule Page: 1062 Line No.: 26 Column: a
Exclude Wyoming jurisdiction not interconnected with MISO

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2011	2011/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. The Respondent renewed a franchise in the fourth quarter of 2011 in New Salem, North Dakota.

2. None.

In 2011, the Respondent issued 7,515 original issue shares of the Respondent's Common Stock in connection with earn-out consideration paid relating to business acquisitions occurring in prior periods.

All original issue shares of the Respondent's common stock issued relating to earn-out consideration in connection with acquisitions occurring in prior periods referenced in this inquiry No. 2, if any, were authorized by the following orders: (a) by the Federal Energy Regulatory Commission by an Order dated October 7, 2010 (effective October 27, 2010) in Docket No. ES10-54-000; (b) by the Montana Public Service Commission by an Order dated September 9, 2010 in Docket No. D2010.8.85, Default Order No. 7104); and (c) by the Public Service Commission of Wyoming by an Order dated September 29, 2010 (effective October 2, 2010) in Docket No. 30013-234-GS-10 and Docket No. 20004-87-ES-10 (Record No. 12609).

3. None.

4. None, other than normal renewal of leaseholds in the normal course of business.

5. None.

6. The company's commercial paper borrowings were \$0.00 at December 31, 2011. The issuance of commercial paper is authorized pursuant to the following orders:

On December 1, 2010, the Respondent received FERC authorization to incur short-term indebtedness in an amount not to exceed \$150 million. This authorization was granted in Docket No. ES11-3-000.

On November 17, 2010, the Respondent received the same authorization from the state of Montana. This order authorized MDU to issue up to \$150 million in short-term indebtedness. This authorization was granted in Docket No. D2010.11.103, Default Order No. 7119.

7. None.

8. Wage increases to nonunion employees averaged 2.64% in 2011. Wage increases to union employees averaged 2.97% effective May 23, 2011. The estimated annualized impact of the increases amounted to approximately \$1,779,000.

9. See Note 19 of the Notes to Financial Statements contained on pages 123.46 through 123.52.

10. None.

11. None.

12. None.

13. William E. Schneider was elected Executive Vice President - Bakken Development of MDU Resources Group, Inc., effective January 1, 2012.

Michael J. Gardner was appointed as Executive Vice President - Utility Operations Support of Montana-Dakota Utilities Co. and Great Plains Natural Gas Co., utility divisions of MDU Resources Group, Inc., effective January 1, 2012.

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Dennis L. Haider was appointed as Executive Vice President - Business Development and Gas Supply of Montana-Dakota Utilities Co. and Great Plains Natural Gas Co., utility divisions of MDU Resources Group, Inc., effective January 1, 2012.

Garret Senger was appointed as Vice President - Regulatory Affairs and Chief Accounting Officer of Montana-Dakota Utilities Co. and Great Plains Natural Gas Co., utility divisions of MDU Resources Group, Inc., effective January 1, 2012.

14. Not applicable.

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	1,393,817,730	1,343,386,275
3	Construction Work in Progress (107)	200-201	54,926,027	40,572,541
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		1,448,743,757	1,383,958,816
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	699,092,675	673,742,452
6	Net Utility Plant (Enter Total of line 4 less 5)		749,651,082	710,216,364
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		749,651,082	710,216,364
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		3,551,913	3,560,347
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		4,345,368	4,168,474
19	(Less) Accum. Prov. for Depr. and Amort. (122)		1,460,122	1,311,967
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	2,402,890,906	2,336,133,125
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		47,834,766	48,037,819
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		2,453,610,918	2,387,027,451
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		6,845,910	6,238,148
36	Special Deposits (132-134)		1,200	1,200
37	Working Fund (135)		54,764	36,865
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		26,202,128	29,395,116
41	Other Accounts Receivable (143)		2,785,945	4,363,648
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		237,599	231,003
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		28,733,840	27,836,855
45	Fuel Stock (151)	227	5,921,977	5,029,867
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	14,611,115	10,139,125
49	Merchandise (155)	227	915,028	876,220
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	-639
55	Gas Stored Underground - Current (164.1)		21,147,886	18,538,439
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		4,929,924	4,438,120
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		31,824,896	37,326,027
62	Miscellaneous Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		143,737,014	143,987,988
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		1,046,963	1,126,622
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	8,953,457	7,564,400
72	Other Regulatory Assets (182.3)	232	123,145,685	86,467,267
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,311,495	321,479
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		141,904	109,955
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	28,845,868	25,010,265
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		8,846,102	9,565,612
82	Accumulated Deferred Income Taxes (190)	234	65,712,445	59,053,683
83	Unrecovered Purchased Gas Costs (191)		2,622,263	2,110,509
84	Total Deferred Debits (lines 69 through 83)		240,626,182	191,329,792
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		3,591,177,109	3,436,121,942

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 12/31/2011	Year/Period of Report end of 2011/Q4
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	189,332,485	188,901,379
3	Preferred Stock Issued (204)	250-251	15,000,000	15,000,000
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		1,039,849,252	1,030,458,868
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	4,110,305	4,110,305
11	Retained Earnings (215, 215.1, 216)	118-119	505,281,931	492,507,658
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,080,840,155	1,004,931,088
13	(Less) Required Capital Stock (217)	250-251	3,625,813	3,625,813
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-47,000,996	-31,261,155
16	Total Proprietary Capital (lines 2 through 15)		2,775,566,709	2,692,801,720
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	280,000,000	280,000,000
19	(Less) Required Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	888,853	995,927
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		280,888,853	280,995,927
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		568,573	936,497
29	Accumulated Provision for Pensions and Benefits (228.3)		73,404,001	54,957,735
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		640,000	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		6,645,275	6,314,471
35	Total Other Noncurrent Liabilities (lines 26 through 34)		81,257,849	62,208,703
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	20,000,000
38	Accounts Payable (232)		36,325,957	34,271,793
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		4,867,683	9,445,305
41	Customer Deposits (235)		1,926,012	2,019,003
42	Taxes Accrued (236)	262-263	18,303,603	5,133,221
43	Interest Accrued (237)		4,928,205	4,928,786
44	Dividends Declared (238)		31,794,172	30,772,550
45	Matured Long-Term Debt (239)		0	0

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		1,660,047	1,963,158
48	Miscellaneous Current and Accrued Liabilities (242)		21,988,799	23,267,497
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		121,794,478	131,801,313
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		8,440,494	7,133,209
57	Accumulated Deferred Investment Tax Credits (255)	266-267	871,217	797,879
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	108,892,007	88,934,756
60	Other Regulatory Liabilities (254)	278	10,003,775	8,088,640
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		156,332,240	123,018,182
64	Accum. Deferred Income Taxes-Other (283)		47,129,487	40,341,613
65	Total Deferred Credits (lines 56 through 64)		331,669,220	268,314,279
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		3,591,177,109	3,436,121,942

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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STATEMENT OF INCOME

Quarterly

- Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
- Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
- Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
- Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
- If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

- Do not report fourth quarter data in columns (e) and (f)
- Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
- Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	506,025,650	483,120,964		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	360,093,792	343,257,959		
5	Maintenance Expenses (402)	320-323	21,334,210	20,460,586		
6	Depreciation Expense (403)	336-337	37,985,909	34,024,340		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	1,631,858	1,816,836		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337	231,061	231,061		
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)		3,405,182	1,547,056		
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	16,370,587	15,458,942		
15	Income Taxes - Federal (409.1)	262-263	-23,188,269	-19,604,266		
16	- Other (409.1)	262-263	-2,726,633	-2,705,039		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	81,333,887	68,340,695		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	46,140,823	31,059,145		
19	Investment Tax Credit Adj. - Net (411.4)	266				
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		450,330,761	431,769,025		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		55,694,889	51,351,939		

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STATEMENT OF INCOME FOR THE YEAR (Continued)								
<p>9. Use page 122 for important notes regarding the statement of income for any account thereof.</p> <p>10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.</p> <p>11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.</p> <p>12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.</p> <p>13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.</p> <p>14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.</p> <p>15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.</p>								
ELECTRIC UTILITY		GAS UTILITY				OTHER UTILITY		
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	Line No.		
						1		
223,201,621	209,180,834	282,824,029	273,940,130			2		
						3		
114,687,315	107,985,170	245,406,477	235,272,789			4		
17,703,292	17,077,114	3,630,918	3,383,472			5		
27,258,418	24,127,275	10,727,491	9,897,065			6		
						7		
1,113,309	1,213,816	518,549	603,020			8		
228,242	228,242	2,819	2,819			9		
3,405,182	1,547,056					10		
						11		
						12		
						13		
9,434,923	9,056,926	6,935,664	6,402,016			14		
-12,586,738	-18,588,263	-10,601,531	-1,016,003			15		
-1,265,099	-2,810,029	-1,461,534	104,990			16		
50,410,252	54,763,699	30,923,635	13,576,996			17		
29,243,058	22,771,931	16,897,765	8,287,214			18		
						19		
						20		
						21		
						22		
						23		
						24		
181,146,038	171,829,075	269,184,723	259,939,950			25		
42,055,583	37,351,759	13,639,306	14,000,180			26		
						27		

Name of Respondent MDU Resources Group, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2011		Year/Period of Report End of 2011/Q4	
STATEMENT OF INCOME FOR THE YEAR (continued)							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
			Current Year (c)	Previous Year (d)			
27	Net Utility Operating Income (Carried forward from page 114)		55,694,889	51,351,939			
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)		6,056,315	6,648,306			
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		4,666,614	5,261,650			
33	Revenues From Nonutility Operations (417)		4,113,607	11,176,526			
34	(Less) Expenses of Nonutility Operations (417.1)		2,581,985	7,590,073			
35	Nonoperating Rental Income (418)						
36	Equity in Earnings of Subsidiary Companies (418.1)	119	171,763,717	197,206,856			
37	Interest and Dividend Income (419)		1,717,382	2,764,857			
38	Allowance for Other Funds Used During Construction (419.1)		2,056,639	4,268,299			
39	Miscellaneous Nonoperating Income (421)		35,717	280,183			
40	Gain on Disposition of Property (421.1)		228,379	20			
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		178,723,157	209,493,324			
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)		-4,772	72,038			
44	Miscellaneous Amortization (425)						
45	Donations (426.1)		378,205	341,440			
46	Life Insurance (426.2)						
47	Penalties (426.3)		2,520	54,151			
48	Exp. for Certain Civic, Political & Related Activities (426.4)		42,393	33,662			
49	Other Deductions (426.5)		892,450	9,985			
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		1,310,796	511,276			
51	Taxes Applic. to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263	3,678	579			
53	Income Taxes-Federal (409.2)	262-263	877,615	2,358,214			
54	Income Taxes-Other (409.2)	262-263	332,819	-220,202			
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	753,219	648,716			
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	619,821	408,202			
57	Investment Tax Credit Adj.-Net (411.5)						
58	(Less) Investment Tax Credits (420)		-73,338	-635,810			
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		1,420,848	3,014,915			
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		175,991,513	205,967,133			
61	Interest Charges						
62	Interest on Long-Term Debt (427)		17,773,282	17,744,971			
63	Amort. of Debt Disc. and Expense (428)		97,309	91,325			
64	Amortization of Loss on Reaquired Debt (428.1)		719,510	719,511			
65	(Less) Amort. of Premium on Debt-Credit (429)						
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)						
68	Other Interest Expense (431)		1,234,189	437,252			
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		1,164,234	2,333,269			
70	Net Interest Charges (Total of lines 62 thru 69)		18,660,056	16,659,790			
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		213,026,346	240,659,282			
72	Extraordinary Items						
73	Extraordinary Income (434)						
74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes-Federal and Other (409.3)	262-263					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78	Net Income (Total of line 71 and 77)		213,026,346	240,659,282			

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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		492,507,658	472,482,478
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10	Dividends equivalents on stock based compensation	253	2,448	(27,216)
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)		2,448	(27,216)
16	Balance Transferred from Income (Account 433 less Account 418.1)		41,262,629	43,452,426
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24	4.5%	238	-450,003	(450,004)
25	4.7%	238	-235,000	(235,000)
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		-685,003	(685,004)
30	Dividends Declared-Common Stock (Account 438)			
31			-123,659,801	(119,496,026)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-123,659,801	(119,496,026)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		95,854,000	96,781,000
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		505,281,931	492,507,658
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		505,281,931	492,507,658
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		1,004,931,088	904,566,156
50	Equity in Earnings for Year (Credit) (Account 418.1)		171,763,717	197,206,856
51	(Less) Dividends Received (Debit)		95,854,000	96,781,000
52			-650	(50,924)
53	Balance-End of Year (Total lines 49 thru 52)		1,080,840,155	1,004,931,088

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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FOOTNOTE DATA			

Schedule Page: 118 Line No.: 52 Column: c

Dividend equivalents on stock based compensation - CEHI	\$ 4,947
Dividend equivalents on stock based compensation - MDU EC	(\$ 5,597)

Schedule Page: 118 Line No.: 52 Column: d

Dividend equivalents on stock based compensation - CEHI	(\$45,128)
Dividend equivalents on stock based compensation - MDU EC	(\$ 5,796)

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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	213,026,346	240,659,282
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	43,254,010	37,619,293
5	Amortization of		
6	Loss on Reacquired Debt, Bond Discount and Debt Exp	799,169	810,836
7			
8	Deferred Income Taxes (Net)	33,443,170	39,748,983
9	Investment Tax Credit Adjustment (Net)	73,338	635,810
10	Net (Increase) Decrease in Receivables	3,880,302	826,147
11	Net (Increase) Decrease in Inventory	-8,012,994	-1,543,542
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	10,633,165	-3,349,647
14	Net (Increase) Decrease in Other Regulatory Assets	-38,067,475	-13,370,215
15	Net Increase (Decrease) in Other Regulatory Liabilities	2,245,939	2,507,423
16	(Less) Allowance for Other Funds Used During Construction	2,056,639	4,268,299
17	(Less) Undistributed Earnings from Subsidiary Companies	75,909,717	100,425,856
18	Other (provide details in footnote):		
19	Unrecovered Purchased Gas Costs	-511,754	-11,449,947
20	Net Change in Other Current & Accrued Assets	5,009,327	-934,335
21	Other Noncurrent Changes	31,588,864	3,344,773
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	219,395,051	190,810,706
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-72,417,446	-107,364,823
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant	-8,547,603	-9,939,492
29	Gross Additions to Nonutility Plant	-200,876	-296,205
30	(Less) Allowance for Other Funds Used During Construction	-2,056,639	-4,268,299
31	Other (provide details in footnote):		
32	Gas in Underground Storage - Noncurrent	8,434	305,134
33	Customer Advances for Construction	1,307,285	1,208,659
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-77,793,567	-111,818,428
35			
36	Acquisition of Other Noncurrent Assets (d)	203,053	-6,336,788
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies	-3,006,643	-1,636,385
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54	Depreciation of Nonutility Plant	174,706	172,190
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-80,422,451	-119,619,411
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		
62	Preferred Stock		
63	Common Stock	5,743,321	4,970,954
64	Other (provide details in footnote):		
65	Tax Benefit on Stock Based Compensation	359,820	375,227
66	Net Increase in Short-Term Debt (c)		20,000,000
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	6,103,141	25,346,181
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-107,074	-106,664
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77	Adjustment to Retained Earnings	1,798	-78,140
78	Net Decrease in Short-Term Debt (c)	-20,000,000	
79			
80	Dividends on Preferred Stock	-685,003	-685,004
81	Dividends on Common Stock	-123,659,801	-119,496,026
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-138,346,939	-95,019,653
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	625,661	-23,828,358
87			
88	Cash and Cash Equivalents at Beginning of Period	6,275,013	30,103,371
89			
90	Cash and Cash Equivalents at End of period	6,900,674	6,275,013

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 8 Column: b

Adjustment reflecting non-cash reclass for FAS 158 (\$ 876,202)

Schedule Page: 120 Line No.: 8 Column: c

Adjustment reflecting non-cash reclass for FAS 158 (\$ 283,160)

Schedule Page: 120 Line No.: 21 Column: b

Adjustment reflecting non-cash reclass for OCI (\$1,417,522)

Adjustment reflecting non-cash reclass for FAS 158 \$ 876,202

Adjustment reflecting non-cash reclass for common stock \$1,554,609

Schedule Page: 120 Line No.: 21 Column: c

Adjustment reflecting non-cash reclass for OCI (\$ 446,635)

Adjustment reflecting non-cash reclass for FAS 158 \$ 283,160

Adjustment reflecting non-cash reclass for common stock \$2,116,466

Schedule Page: 120 Line No.: 77 Column: b

Dividend equivalents on stock-based compensation \$ 1,798

Schedule Page: 120 Line No.: 77 Column: c

Dividend equivalents on stock-based compensation (\$ 78,140)

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2011	Year/Period of Report End of 2011/Q4
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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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NOTES TO FINANCIAL STATEMENTS (Continued)			

Notes to Consolidated Financial Statements

Note 1 - Summary of Significant Accounting Policies

Basis of presentation

The consolidated financial statements of the Company include the accounts of the following businesses: electric, natural gas distribution, pipeline and energy services, exploration and production, construction materials and contracting, construction services and other. The electric, natural gas distribution, and pipeline and energy services businesses are substantially all regulated. Exploration and production, construction materials and contracting, construction services and other are nonregulated. For further descriptions of the Company's businesses, see Note 15. The statements also include the ownership interests in the assets, liabilities and expenses of jointly owned electric generating facilities.

The financial statements were prepared in accordance with the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These requirements differ from generally accepted accounting principles (GAAP) related to the presentation of certain items including, but not limited to, the current portion of long-term debt, deferred income taxes, cost of removal liabilities, and current unrecovered purchased gas costs.

The Respondent owns two wholly owned subsidiaries, Centennial Energy Holdings, Inc. and MDU Energy Capital, LLC. As required by the FERC for Form 1 report purposes, MDU Resources Group, Inc. reports its subsidiary investments using the equity method rather than consolidating the assets, liabilities, revenues and expenses of the subsidiaries, as required by GAAP. If GAAP were followed, utility plant, other property and investments would increase by \$1.2 billion; current and accrued assets would increase by \$1.1 billion; deferred debits would increase by \$726.4 million; long-term debt would increase by \$1.0 billion; other noncurrent liabilities and current and accrued liabilities would increase by \$695.7 million; deferred credits would increase by \$1.3 billion as of December 31, 2011. Furthermore, operating revenues would increase by \$3.5 billion and operating expenses, excluding income taxes, would increase by \$3.2 billion for the twelve months ended December 31, 2011. In addition, net cash provided by operating activities would increase by \$407.3 million; net cash used in investing activities would increase by \$384.1 million; net cash used in financing activities would increase by \$82.8 million; the effect of exchange rate changes on cash would decrease by \$214,000; and the net change in cash and cash equivalents would be a decrease of \$59.9 million for the twelve months ended December 31, 2011. Reporting its subsidiary investments using the equity method rather than GAAP has no effect on net income or retained earnings.

The Company's notes to the financial statements are presented consolidated with its subsidiary investments and prepared in conformity with GAAP. Accordingly, certain footnotes are not reflective of the Company's FERC basis financial statements contained herein.

The Company's regulated businesses are subject to various state and federal agency regulations. The accounting policies followed by these businesses are generally subject to the Uniform System of Accounts of the FERC. These accounting policies differ in some respects from those used by the Company's nonregulated businesses.

The Company's regulated businesses account for certain income and expense items under the provisions of regulatory accounting, which requires these businesses to defer as regulatory assets or liabilities certain items that would have otherwise been reflected as expense or income, respectively, based on the expected regulatory treatment in future rates. The expected recovery or flowback of these deferred items generally is based on specific ratemaking decisions or precedent for each item. Regulatory assets and liabilities are being amortized consistently with the regulatory treatment established by

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

the FERC and the applicable state public service commissions. See Note 6 for more information regarding the nature and amounts of these regulatory deferrals.

Depreciation, depletion and amortization expense is reported separately on the Consolidated Statements of Income and therefore is excluded from the other line items within operating expenses.

Management has also evaluated the impact of events occurring after December 31, 2011, up to the date of issuance of these consolidated financial statements.

Cash and cash equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Accounts receivable and allowance for doubtful accounts

Accounts receivable consists primarily of trade receivables from the sale of goods and services which are recorded at the invoiced amount net of allowance for doubtful accounts, and costs and estimated earnings in excess of billings on uncompleted contracts. The total balance of receivables past due 90 days or more was \$29.8 million and \$21.6 million as of December 31, 2011 and 2010, respectively. For more information, see Percentage-of-completion method in this note.

The allowance for doubtful accounts is determined through a review of past due balances and other specific account data. Account balances are written off when management determines the amounts to be uncollectible. The Company's allowance for doubtful accounts as of December 31, 2011 and 2010, was \$12.4 million and \$15.3 million, respectively.

Inventories and natural gas in storage

Inventories, other than natural gas in storage for the Company's regulated operations, were stated at the lower of average cost or market value. Natural gas in storage for the Company's regulated operations is generally carried at average cost, or cost using the last-in, first-out method. The portion of the cost of natural gas in storage expected to be used within one year was included in inventories. Inventories at December 31 consisted of:

	2011	2010
	(In thousands)	
Aggregates held for resale	\$ 78,518	\$ 79,894
Materials and supplies	61,611	57,324
Natural gas in storage (current)	36,578	34,557
Asphalt oil	32,335	25,234
Merchandise for resale	32,165	30,182
Other	32,998	25,706
Total	\$ 274,205	\$ 252,897

The remainder of natural gas in storage, which largely represents the cost of gas required to maintain pressure levels for normal operating purposes, was included in other assets and was \$50.3 million and \$48.0 million at December 31, 2011 and 2010, respectively.

Investments

The Company's investments include its equity method investments as discussed in Note 4, the cash surrender value of life insurance policies, an insurance investment contract, auction rate securities, mortgage-backed securities and U.S. Treasury securities. Under the equity method, investments are initially recorded at cost and adjusted for dividends and undistributed earnings and losses. The Company has elected to measure its investment in the insurance investment contract at fair value with any unrealized gains and losses recorded on the Consolidated Statements of Income. The Company has not elected the fair

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
MDU Resources Group, Inc.			
NOTES TO FINANCIAL STATEMENTS (Continued)			

value option for its auction rate securities, mortgage-backed securities and U.S. Treasury securities. For more information, see Notes 8 and 16.

Property, plant and equipment

Additions to property, plant and equipment are recorded at cost. When regulated assets are retired, or otherwise disposed of in the ordinary course of business, the original cost of the asset is charged to accumulated depreciation. With respect to the retirement or disposal of all other assets, except for exploration and production properties as described in Natural gas and oil properties in this note, the resulting gains or losses are recognized as a component of income. The Company is permitted to capitalize AFUDC on regulated construction projects and to include such amounts in rate base when the related facilities are placed in service. In addition, the Company capitalizes interest, when applicable, on certain construction projects associated with its other operations. The amount of AFUDC and interest capitalized was \$15.1 million, \$17.6 million and \$17.4 million in 2011, 2010 and 2009, respectively. Generally, property, plant and equipment are depreciated on a straight-line basis over the average useful lives of the assets, except for depletable aggregate reserves, which are depleted based on the units-of-production method, and exploration and production properties, which are amortized on the units-of-production method based on total reserves. The Company collects removal costs for plant assets in regulated utility rates. These amounts are recorded as regulatory liabilities, which are included in other liabilities.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
MDU Resources Group, Inc.			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Property, plant and equipment at December 31 was as follows:

	2011	2010	Weighted Average Depreciable Life in Years
(Dollars in thousands, where applicable)			
Regulated:			
Electric:			
Generation	\$ 546,783	\$ 538,071	47
Distribution	255,232	243,205	36
Transmission	179,580	161,972	44
Other	86,929	83,786	13
Natural gas distribution:			
Distribution	1,257,360	1,223,239	38
Other	311,506	285,606	23
Pipeline and energy services:			
Transmission	386,227	357,395	52
Gathering	42,378	41,931	19
Storage	41,908	33,967	51
Other	36,179	33,938	29
Nonregulated:			
Pipeline and energy services:			
Gathering	198,864	203,064	17
Other	13,735	13,512	10
Exploration and production:			
Natural gas and oil properties	2,577,576	2,320,967	*
Other	37,570	35,971	9
Construction materials and contracting:			
Land	126,790	124,018	—
Buildings and improvements	67,627	65,003	20
Machinery, vehicles and equipment	902,136	899,365	12
Construction in progress	8,085	4,879	—
Aggregate reserves	395,214	393,110	**
Construction services:			
Land	4,706	4,526	—
Buildings and improvements	15,001	14,101	22
Machinery, vehicles and equipment	95,891	94,252	7
Other	9,198	10,061	4
Other:			
Land	2,837	2,837	—
Other	46,910	29,727	24
Less accumulated depreciation, depletion and amortization	3,361,208	3,103,323	
Net property, plant and equipment	\$ 4,285,014	\$ 4,115,180	

* Amortized on the units-of-production method based on total proved reserves at an Mcfe equivalent average rate of \$2.04, \$1.77 and \$1.64 for the years ended December 31, 2011, 2010 and 2009, respectively. Includes natural gas and oil properties accounted for under the full-cost method, of which \$232.5 and \$182.4 million were excluded from amortization at December 31, 2011 and 2010, respectively.

** Depleted on the units-of-production method.

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Impairment of long-lived assets

The Company reviews the carrying values of its long-lived assets, excluding goodwill and natural gas and oil properties, whenever events or changes in circumstances indicate that such carrying values may not be recoverable. The determination of whether an impairment has occurred is based on an estimate of undiscounted future cash flows attributable to the assets, compared to the carrying value of the assets. If impairment has occurred, the amount of the impairment recognized is determined by estimating the fair value of the assets and recording a loss if the carrying value is greater than the fair value. No significant impairment losses were recorded in 2011, 2010 and 2009. Unforeseen events and changes in circumstances could require the recognition of impairment losses at some future date.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of identifiable net tangible and intangible assets acquired in a business combination. Goodwill is required to be tested for impairment annually, which is completed in the fourth quarter, or more frequently if events or changes in circumstances indicate that goodwill may be impaired.

The goodwill impairment test is a two-step process performed at the reporting unit level. The first step of the impairment test involves comparing the fair value of each reporting unit to its carrying value. If the fair value of a reporting unit exceeds its carrying value, the test is complete and no impairment is recorded. The fair value of each reporting unit is determined using a weighted combination of income and market approaches. The Company uses a discounted cash flow methodology for its income approach and a combination of comparable transaction multiples and peer multiples for the market approach. If the fair value of a reporting unit is less than its carrying value, step two of the goodwill impairment test is performed to determine the amount of the impairment loss, if any. The impairment is computed by comparing the implied fair value of the affected reporting unit's goodwill to the carrying value of that goodwill. If the carrying value is greater than the implied fair value, an impairment loss must be recorded. For the years ended December 31, 2011, 2010 and 2009, the fair value of each reporting unit exceeded the respective carrying value and no impairment losses were recorded. For more information on goodwill, see Note 5.

Natural gas and oil properties

The Company uses the full-cost method of accounting for its natural gas and oil production activities. Under this method, all costs incurred in the acquisition, exploration and development of natural gas and oil properties are capitalized and amortized on the units-of-production method based on total proved reserves. Any conveyances of properties, including gains or losses on abandonments of properties, are generally treated as adjustments to the cost of the properties with no gain or loss recognized.

Capitalized costs are subject to a "ceiling test" that limits such costs to the aggregate of the present value of future net cash flows from proved reserves discounted at 10 percent, as mandated under the rules of the SEC, plus the cost of unproved properties not subject to amortization, less applicable income taxes. Future net revenue was estimated based on end-of-quarter spot market prices adjusted for contracted price changes prior to the fourth quarter of 2009. Effective December 31, 2009, the Modernization of Oil and Gas Reporting rules issued by the SEC changed the pricing used to estimate reserves and associated future cash flows to SEC Defined Prices. Prior to that date, if capitalized costs exceeded the full-cost ceiling at the end of any quarter, a permanent noncash write-down was required to be charged to earnings in that quarter unless subsequent price changes eliminated or reduced an indicated write-down. Effective December 31, 2009, if capitalized costs exceed the full-cost ceiling at the end of any quarter, a permanent noncash write-down is required to be charged to earnings in that quarter regardless of subsequent price changes.

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Due to low natural gas and oil prices that existed at March 31, 2009, the Company's capitalized costs under the full-cost method of accounting exceeded the full-cost ceiling at March 31, 2009. Accordingly, the Company was required to write down its natural gas and oil producing properties. The noncash write-down amounted to \$620.0 million (\$384.4 million after tax) for the year ended December 31, 2009.

The Company hedges a portion of its natural gas and oil production and the effects of the cash flow hedges were used in determining the full-cost ceiling. The Company would have recognized additional write-downs of its natural gas and oil properties of \$107.9 million (\$66.9 million after tax) at March 31, 2009, if the effects of cash flow hedges had not been considered in calculating the full-cost ceiling. For more information on the Company's cash flow hedges, see Note 7.

At December 31, 2011, the Company's full-cost ceiling exceeded the Company's capitalized cost. However, sustained downward movements in natural gas and oil prices subsequent to December 31, 2011, could result in a future write-down of the Company's natural gas and oil properties.

The following table summarizes the Company's natural gas and oil properties not subject to amortization at December 31, 2011, in total and by the year in which such costs were incurred:

	Year Costs Incurred				
	Total	2011	2010	2009	2008 and prior
	(In thousands)				
Acquisition	\$ 185,773	\$ 50,721	\$ 71,315	\$ 988	\$ 62,749
Development	9,938	9,689	156	2	91
Exploration	27,439	24,389	2,710	72	268
Capitalized interest	9,312	3,539	3,096	44	2,633
Total costs not subject to amortization	\$ 232,462	\$ 88,338	\$ 77,277	\$ 1,106	\$ 65,741

Costs not subject to amortization as of December 31, 2011, consisted primarily of unevaluated leaseholds and development costs in the Bakken area, Texas properties, Niobrara play, the Paradox Basin, the Green River Basin and the Big Horn Basin. The Company expects that the majority of these costs will be evaluated within the next five years and included in the amortization base as the properties are evaluated and/or developed.

Revenue recognition

Revenue is recognized when the earnings process is complete, as evidenced by an agreement between the customer and the Company, when delivery has occurred or services have been rendered, when the fee is fixed or determinable and when collection is reasonably assured. The Company recognizes utility revenue each month based on the services provided to all utility customers during the month. Accrued unbilled revenue which is included in receivables, net, represents revenues recognized in excess of amounts billed. Accrued unbilled revenue at Montana-Dakota, Cascade and Intermountain was \$80.2 million and \$87.3 million at December 31, 2011 and 2010, respectively. The Company recognizes construction contract revenue at its construction businesses using the percentage-of-completion method as discussed later. The Company recognizes revenue from exploration and production properties only on that portion of production sold and allocable to the Company's ownership interest in the related properties. The Company recognizes all other revenues when services are rendered or goods are delivered. The Company presents revenues net of taxes collected from customers at the time of sale to be remitted to governmental authorities, including sales and use taxes.

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Percentage-of-completion method

The Company recognizes construction contract revenue from fixed-price and modified fixed-price construction contracts at its construction businesses using the percentage-of-completion method, measured by the percentage of costs incurred to date to estimated total costs for each contract. If a loss is anticipated on a contract, the loss is immediately recognized. Costs and estimated earnings in excess of billings on uncompleted contracts of \$54.3 million and \$46.6 million at December 31, 2011 and 2010, respectively, represent revenues recognized in excess of amounts billed and were included in receivables, net. Billings in excess of costs and estimated earnings on uncompleted contracts of \$79.1 million and \$65.2 million at December 31, 2011 and 2010, respectively, represent billings in excess of revenues recognized and were included in accounts payable. Amounts representing balances billed but not paid by customers under retainage provisions in contracts amounted to \$51.5 million and \$51.1 million at December 31, 2011 and 2010, respectively. The amounts expected to be paid within one year or less are included in receivables, net, and amounted to \$49.3 million and \$50.4 million at December 31, 2011 and 2010, respectively. The long-term retainage which was included in deferred charges and other assets - other was \$2.2 million and \$700,000 at December 31, 2011 and 2010, respectively.

Derivative instruments

The Company's policy allows the use of derivative instruments as part of an overall energy price, foreign currency and interest rate risk management program to efficiently manage and minimize commodity price, foreign currency and interest rate risk. The Company's policy prohibits the use of derivative instruments for speculating to take advantage of market trends and conditions, and the Company has procedures in place to monitor compliance with its policies. The Company is exposed to credit-related losses in relation to derivative instruments in the event of nonperformance by counterparties.

The Company's policy generally allows the hedging of monthly forecasted sales of natural gas and oil production at Fidelity for a period up to 36 months from the time the Company enters into the hedge. The Company's policy requires that interest rate derivative instruments not exceed a period of 24 months and foreign currency derivative instruments not exceed a 12-month period. The Company's policy allows the hedging of monthly forecasted purchases of natural gas at Cascade and Intermountain for a period up to three years.

The Company's policy requires that each month as physical natural gas and oil production at Fidelity occurs and the commodity is sold, the related portion of the derivative agreement for that month's production must settle with its counterparties. Settlements represent the exchange of cash between the Company and its counterparties based on the notional quantities and prices for each month's physical delivery as specified within the agreements. The fair value of the remaining notional amounts on the derivative agreements is recorded on the balance sheet as an asset or liability measured at fair value. The Company's policy also requires settlement of natural gas derivative instruments at Cascade and Intermountain monthly and all interest rate derivative transactions must be settled over a period that will not exceed 90 days, and any foreign currency derivative transaction settlement periods may not exceed a 12-month period. The Company has policies and procedures that management believes minimize credit-risk exposure. Accordingly, the Company does not anticipate any material effect on its financial position or results of operations as a result of nonperformance by counterparties. For more information on derivative instruments, see Note 7.

The Company's swap and collar agreements are reflected at fair value. For more information, see Note 8.

Asset retirement obligations

The Company records the fair value of a liability for an asset retirement obligation in the period in which it is incurred. When the liability is initially recorded, the Company capitalizes a cost by increasing the carrying amount of the related long-lived asset. Over

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time, the liability is accreted to its present value each period, and the capitalized cost is depreciated over the useful life of the related asset. Upon settlement of the liability, the Company either settles the obligation for the recorded amount or incurs a gain or loss at its nonregulated operations or incurs a regulatory asset or liability at its regulated operations. For more information on asset retirement obligations, see Note 10.

Legal costs

The Company expenses external legal fees as they are incurred.

Natural gas costs recoverable or refundable through rate adjustments

Under the terms of certain orders of the applicable state public service commissions, the Company is deferring natural gas commodity, transportation and storage costs that are greater or less than amounts presently being recovered through its existing rate schedules. Such orders generally provide that these amounts are recoverable or refundable through rate adjustments within a period ranging from 12 to 28 months from the time such costs are paid. Natural gas costs refundable through rate adjustments were \$45.1 million and \$37.0 million at December 31, 2011 and 2010, respectively, which is included in other accrued liabilities. Natural gas costs recoverable through rate adjustments were \$2.6 million and \$6.6 million at December 31, 2011 and 2010, respectively, which is included in prepayments and other current assets.

Insurance

Certain subsidiaries of the Company are insured for workers' compensation losses, subject to deductibles ranging up to \$1 million per occurrence. Automobile liability and general liability losses are insured, subject to deductibles ranging up to \$1 million per accident or occurrence. These subsidiaries have excess coverage above the primary automobile and general liability policies on a claims first-made and reported basis beyond the deductible levels. The subsidiaries of the Company are retaining losses up to the deductible amounts accrued on the basis of estimates of liability for claims incurred and for claims incurred but not reported.

Income taxes

The Company provides deferred federal and state income taxes on all temporary differences between the book and tax basis of the Company's assets and liabilities. Excess deferred income tax balances associated with the Company's rate-regulated activities have been recorded as a regulatory liability and are included in other liabilities. These regulatory liabilities are expected to be reflected as a reduction in future rates charged to customers in accordance with applicable regulatory procedures.

The Company uses the deferral method of accounting for investment tax credits and amortizes the credits on regulated electric and natural gas distribution plant over various periods that conform to the ratemaking treatment prescribed by the applicable state public service commissions.

Tax positions taken or expected to be taken in an income tax return are evaluated for recognition using a more-likely-than-not threshold, and those tax positions requiring recognition are measured as the largest amount of tax benefit that is greater than 50 percent likely of being realized upon ultimate settlement with a taxing authority. The Company recognizes interest and penalties accrued related to unrecognized tax positions in income taxes.

Foreign currency translation adjustment

The functional currency of the Company's investment in ECTE, as further discussed in Note 4, is the Brazilian Real. Translation from the Brazilian Real to the U.S. dollar for assets and liabilities is performed using the exchange rate in effect at the balance sheet date. Revenues and expenses are translated on a year-to-date basis using an average of the daily exchange rates. Adjustments resulting from such translations are reported as a separate component of other comprehensive income (loss) in common stockholders' equity.

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Transaction gains and losses resulting from the effect of exchange rate changes on transactions denominated in a currency other than the functional currency of the reporting entity would be recorded in income.

Earnings (loss) per common share

Basic earnings (loss) per common share were computed by dividing earnings (loss) on common stock by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share were computed by dividing earnings on common stock by the total of the weighted average number of shares of common stock outstanding during the year, plus the effect of outstanding stock options, restricted stock grants and performance share awards. In 2011 and 2010, there were no shares excluded from the calculation of diluted earnings per share. Common stock outstanding includes issued shares less shares held in treasury. Net income was the same for both the basic and diluted earnings per share calculations. A reconciliation of the weighted average common shares outstanding used in the basic and diluted earnings per share calculation was as follows:

	2011	2010	2009*
	(In thousands)		
Weighted average common shares outstanding - basic	188,763	188,137	185,175
Effect of dilutive stock options and performance share awards	142	92	—
Weighted average common shares outstanding - diluted	188,905	188,229	185,175

* Due to the loss on common stock, 825 outstanding stock options, 18 restricted stock grants and 656 performance share awards were excluded from the computation of diluted loss per common share as their effect was antidilutive.

Use of estimates

The preparation of financial statements in conformity with GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Estimates are used for items such as impairment testing of long-lived assets, goodwill and natural gas and oil properties; fair values of acquired assets and liabilities under the acquisition method of accounting; natural gas and oil reserves; aggregate reserves; property depreciable lives; tax provisions; uncollectible accounts; environmental and other loss contingencies; accumulated provision for revenues subject to refund; costs on construction contracts; unbilled revenues; actuarially determined benefit costs; asset retirement obligations; the valuation of stock-based compensation; and the fair value of derivative instruments. As additional information becomes available, or actual amounts are determinable, the recorded estimates are revised. Consequently, operating results can be affected by revisions to prior accounting estimates.

Cash flow information

Cash expenditures for interest and income taxes were as follows:

Years ended December 31,	2011	2010	2009
	(In thousands)		
Interest, net of amount capitalized	\$ 78,133	\$ 80,962	\$ 81,267
Income taxes paid (refunded), net	\$ (12,287)	\$ 46,892	\$ 39,807

For the year ended December 31, 2011, cash flows from investing activities do not include \$24.0 million of capital expenditures, including amounts being financed with accounts payable, and therefore, do not have an impact on cash flows for the period.

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New accounting standards

Improving Disclosure About Fair Value Measurements In January 2010, the FASB issued guidance related to improving disclosures about fair value measurements. The guidance requires separate disclosures of the amounts of transfers in and out of Level 1 and Level 2 fair value measurements and a description of the reason for such transfers. In the reconciliation for Level 3 fair value measurements using significant unobservable inputs, information about purchases, sales, issuances and settlements shall be presented separately. These disclosures are required for interim and annual reporting periods and were effective for the Company on January 1, 2010, except for the disclosures related to the purchases, sales, issuances and settlements in the roll forward activity of Level 3 fair value measurements, which were effective on January 1, 2011. The guidance requires additional disclosures, but it did not impact the Company's results of operations, financial position or cash flows.

Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs In May 2011, the FASB issued guidance on fair value measurement and disclosure requirements. The guidance generally clarifies the application of existing requirements on topics including the concepts of highest and best use and valuation premise and disclosing quantitative information about the unobservable inputs used in the measurement of instruments categorized within Level 3 of the fair value hierarchy. Additionally, the guidance includes changes on topics such as measuring fair value of financial instruments that are managed within a portfolio and additional disclosure for fair value measurements categorized within Level 3 of the fair value hierarchy. This guidance is effective for the Company on January 1, 2012. The guidance will require additional disclosures, but it will not impact the Company's results of operations, financial position or cash flows.

Presentation of Comprehensive Income In June 2011, the FASB issued guidance on the presentation of comprehensive income. This guidance eliminates the option of presenting components of other comprehensive income as part of the statement of stockholders' equity. The guidance will allow the Company the option to present the total of comprehensive income, the components of net income and the components of other comprehensive income in either a single continuous statement of comprehensive income or in two separate but consecutive statements. In December 2011, the FASB indefinitely deferred the effective date for the guidance related to the presentation of reclassifications of items out of accumulated other comprehensive income by component in both the statement in which net income is presented and the statement in which other comprehensive income is presented. The guidance, except for the portion that was indefinitely deferred, is effective for the Company on January 1, 2012, and must be applied retrospectively. The Company is evaluating the effects of this guidance on disclosure, but it will not impact the Company's results of operations, financial position or cash flows.

Disclosures about an Employer's Participation in a Multiemployer Plan In September 2011, the FASB issued guidance on an employer's participation in multiemployer benefit plans. The guidance was issued to enhance the transparency of disclosures about the significant multiemployer plans in which employers participate, the level of the employer's participation in those plans, the financial health of the plans and the nature of the employer's commitments to the plans. This guidance was effective for the Company on December 31, 2011, and must be applied retrospectively. The guidance required additional disclosures, but it did not impact the Company's results of operations, financial position or cash flows.

Comprehensive income (loss)

Comprehensive income (loss) is the sum of net income (loss) as reported and other comprehensive income (loss). The Company's other comprehensive loss resulted from gains (losses) on derivative instruments qualifying as hedges, postretirement liability adjustments, foreign currency translation adjustments and gains on available-for-sale investments. For more information on derivative instruments, see Note 7.

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The components of other comprehensive loss, and their related tax effects for the years ended December 31 were as follows:

	2011	2010	2009
	(In thousands)		
Other comprehensive loss:			
Net unrealized gain (loss) on derivative instruments qualifying as hedges:			
Net unrealized gain (loss) on derivative instruments arising during the period, net of tax of \$4,683, \$(1,867) and \$(2,509) in 2011, 2010 and 2009, respectively	\$ 7,900	\$ (3,077)	\$ (4,094)
Less: Reclassification adjustment for gain (loss) on derivative instruments included in net income, net of tax of \$0, \$(2,305) and \$29,170 in 2011, 2010 and 2009, respectively	—	(3,750)	47,590
Net unrealized gain (loss) on derivative instruments qualifying as hedges	7,900	673	(51,684)
Postretirement liability adjustment, net of tax of \$(13,573), \$(3,609) and \$6,291 in 2011, 2010 and 2009, respectively	(22,427)	(5,730)	9,918
Foreign currency translation adjustment, net of tax of \$(832), \$(3,486) and \$6,814 in 2011, 2010 and 2009, respectively	(1,295)	(5,371)	10,568
Net unrealized gains on available-for-sale investments, net of tax of \$44 in 2011	82	—	—
Total other comprehensive loss	\$ (15,740)	\$ (10,428)	\$ (31,198)

The after-tax components of accumulated other comprehensive loss as of December 31, 2011, 2010 and 2009, were as follows:

	Net Unrealized Gain (Loss) on Derivative Instruments Qualifying as Hedges	Postretirement Liability Adjustment	Foreign Currency Translation Adjustment	Net Unrealized Gains on Available-for- sale Investments	Total Accumulated Other Comprehensive Loss
	(In thousands)				
Balance at December 31, 2009	\$ (2,298)	\$ (25,163)	\$ 6,628	\$ —	\$ (20,833)
Balance at December 31, 2010	\$ (1,625)	\$ (30,893)	\$ 1,257	\$ —	\$ (31,261)
Balance at December 31, 2011	\$ 6,275	\$ (53,320)	\$ (38)	\$ 82	\$ (47,001)

Note 2 - Acquisitions

In 2011, a purchase price adjustment, consisting of the Company's common stock and cash, of \$298,000 was made with respect to an acquisition made prior to 2011.

In 2010, the Company acquired natural gas properties in the Green River Basin in southwest Wyoming. The total purchase consideration for these properties and purchase price adjustments with respect to certain other acquisitions made prior to 2010, consisting of the Company's common stock and cash, was \$106.4 million.

In 2009, the Company acquired a pipeline and energy services business in Montana which was not material. The total purchase consideration for this business and purchase price adjustments with respect to certain other acquisitions made prior to 2009, consisting of the Company's common stock and cash, was \$22.0 million.

The acquisitions were accounted for under the acquisition method of accounting and, accordingly, the acquired assets and liabilities assumed have been recorded at their respective fair values as of the date of acquisition. The results of operations of the acquired businesses and properties are included in the financial statements since the date of each acquisition. Pro forma financial amounts reflecting the effects of the

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acquisitions are not presented, as such acquisitions were not material to the Company's financial position or results of operations.

Note 3 - Discontinued Operations

In 2007, Centennial Resources sold CEM to Bicent. In connection with the sale, Centennial Resources agreed to indemnify Bicent and its affiliates from certain third party claims arising out of or in connection with Centennial Resources' ownership or operation of CEM prior to the sale. In addition, Centennial had previously guaranteed CEM's obligations under a construction contract. In the fourth quarter of 2011, the Company accrued \$21.0 million (\$13.0 million after tax) related to the guarantee as a result of an arbitration award against CEM. In 2011, the Company also incurred legal expenses related to this matter and in the first quarter had an income tax benefit related to favorable resolution of certain tax matters. In the fourth quarter of 2010, the Company established an accrual for an indemnification claim by Bicent. These items are reflected as discontinued operations in the consolidated financial statements and accompanying notes. Discontinued operations are included in the Other category. For further information, see Note 19.

Note 4 - Equity Method Investments

Investments in companies in which the Company has the ability to exercise significant influence over operating and financial policies are accounted for using the equity method. The Company's equity method investments at December 31, 2011 and 2010, include ECTE.

In August 2006, MDU Brasil acquired ownership interests in the Brazilian Transmission Lines. The electric transmission lines are primarily in northeastern and southern Brazil. The transmission contracts provide for revenues denominated in the Brazilian Real, annual inflation adjustments and change in tax law adjustments. The functional currency for the Brazilian Transmission Lines is the Brazilian Real.

In 2009, multiple sales agreements were signed with three separate parties for the Company to sell its ownership interests in the Brazilian Transmission Lines. In November 2010, the Company completed the sale and recognized a gain of \$22.7 million (\$13.8 million after tax). The Company's entire ownership interest in ENTE and ERTE and 59.96 percent of the Company's ownership interest in ECTE was sold. The remaining interest in ECTE is being purchased by one of the parties over a four-year period. In November 2011, the Company completed the sale of one-fourth of the remaining interest and recognized a gain of \$1.0 million (\$600,000 after tax). The gains are recorded in earnings from equity method investments on the Consolidated Statements of Income. Alusa, CEMIG and CELESC hold the remaining ownership interests in ECTE.

At December 31, 2011 and 2010, the Company's equity method investments had total assets of \$111.1 million and \$107.4 million, respectively, and long-term debt of \$37.1 million and \$30.1 million, respectively. The Company's investment in its equity method investments was approximately \$9.2 million and \$10.9 million, including undistributed earnings of \$3.7 million and \$1.9 million, at December 31, 2011 and 2010, respectively.

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Note 5 - Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill for the year ended December 31, 2011, were as follows:

	Balance as of January 1, 2011*	Goodwill Acquired During the Year**	Balance as of December 31, 2011*
(In thousands)			
Electric	\$ —	\$ —	\$ —
Natural gas distribution	345,736	—	345,736
Pipeline and energy services	9,737	—	9,737
Exploration and production	—	—	—
Construction materials and contracting	176,290	—	176,290
Construction services	102,870	298	103,168
Other	—	—	—
Total	\$ 634,633	\$ 298	\$ 634,931

* Balance is presented net of accumulated impairment of \$12.3 million at the pipeline and energy services segment, which occurred in prior periods.

** Includes a purchase price adjustment that was not material related to an acquisition in a prior period.

The changes in the carrying amount of goodwill for the year ended December 31, 2010, were as follows:

	Balance as of January 1, 2010*	Goodwill Acquired During the Year**	Balance as of December 31, 2010*
(In thousands)			
Electric	\$ —	\$ —	\$ —
Natural gas distribution	345,736	—	345,736
Pipeline and energy services	7,857	1,880	9,737
Exploration and production	—	—	—
Construction materials and contracting	175,743	547	176,290
Construction services	100,127	2,743	102,870
Other	—	—	—
Total	\$ 629,463	\$ 5,170	\$ 634,633

* Balance is presented net of accumulated impairment of \$12.3 million at the pipeline and energy services segment, which occurred in prior periods.

** Includes purchase price adjustments that were not material related to acquisitions in a prior period.

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Other amortizable intangible assets at December 31 were as follows:

	2011	2010
	(In thousands)	
Customer relationships	\$ 21,702	\$ 24,942
Accumulated amortization	(10,392)	(11,625)
	11,310	13,317
Noncompete agreements	7,685	9,405
Accumulated amortization	(5,371)	(6,425)
	2,314	2,980
Other	11,442	13,217
Accumulated amortization	(4,223)	(4,243)
	7,219	8,974
Total	\$ 20,843	\$ 25,271

Amortization expense for intangible assets for the years ended December 31, 2011, 2010 and 2009, was \$3.7 million, \$4.2 million and \$5.0 million, respectively. Estimated amortization expense for intangible assets is \$3.8 million in 2012, \$3.7 million in 2013, \$3.3 million in 2014, \$2.6 million in 2015, \$2.1 million in 2016 and \$5.3 million thereafter.

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Note 6 - Regulatory Assets and Liabilities

The following table summarizes the individual components of unamortized regulatory assets and liabilities as of December 31:

	Estimated Recovery Period*	2011	2010
(In thousands)			
Regulatory assets:			
Pension and postretirement benefits (a)	(e)	171,492	103,818
Deferred income taxes	**	119,189	114,427
Taxes recoverable from customers (a)	—	12,433	11,961
Plant costs (a)	Over plant lives	10,256	9,964
Long-term debt refinancing costs (a)	Up to 27 years	10,112	11,101
Costs related to identifying generation development (a)	Up to 15 years	9,817	13,777
Natural gas supply derivatives (b)	Up to 1 year	437	9,359
Natural gas cost recoverable through rate adjustments (b)	Up to 28 months	2,622	6,609
Other (a) (b)	Largely within 1 year	22,651	35,225
Total regulatory assets		359,009	316,241
Regulatory liabilities:			
Plant removal and decommissioning costs (c)		289,972	276,652
Deferred income taxes**		84,963	64,017
Natural gas costs refundable through rate adjustments (d)		45,064	36,996
Taxes refundable to customers (c)		31,837	19,352
Other (c) (d)		8,393	16,080
Total regulatory liabilities		460,229	413,097
Net regulatory position		(101,220)	(96,856)

* Estimated recovery period for regulatory assets currently being recovered in rates charged to customers.

** Represents deferred income taxes related to regulatory assets and liabilities. The deferred income tax assets are not earning a rate of return.

(a) Included in deferred charges and other assets on the Consolidated Balance Sheets.

(b) Included in prepayments and other current assets on the Consolidated Balance Sheets.

(c) Included in other liabilities on the Consolidated Balance Sheets.

(d) Included in other accrued liabilities on the Consolidated Balance Sheets.

(e) Recovered as expense is incurred.

The regulatory assets are expected to be recovered in rates charged to customers. A portion of the Company's regulatory assets are not earning a return; however, these regulatory assets are expected to be recovered from customers in future rates. Excluding deferred income taxes, as of December 31, 2011, approximately \$216.4 million of regulatory assets were not earning a rate of return.

If, for any reason, the Company's regulated businesses cease to meet the criteria for application of regulatory accounting for all or part of their operations, the regulatory assets and liabilities relating to those portions ceasing to meet such criteria would be removed from the balance sheet and included in the statement of income as an extraordinary item in the period in which the discontinuance of regulatory accounting occurs.

Note 7 - Derivative Instruments

Derivative instruments, including certain derivative instruments embedded in other contracts, are required to be recorded on the balance sheet as either an asset or liability measured at fair value. The Company's policy is to not offset fair value amounts for derivative instruments and, as a result, the Company's derivative assets and liabilities are presented gross on the Consolidated Balance Sheets. Changes in the derivative instrument's fair value are recognized currently in earnings unless specific hedge accounting criteria are met. Accounting for qualifying hedges allows derivative

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gains and losses to offset the related results on the hedged item in the income statement and requires that a company must formally document, designate and assess the effectiveness of transactions that receive hedge accounting treatment.

In the event a derivative instrument being accounted for as a cash flow hedge does not qualify for hedge accounting because it is no longer highly effective in offsetting changes in cash flows of a hedged item; if the derivative instrument expires or is sold, terminated or exercised; or if management determines that designation of the derivative instrument as a hedge instrument is no longer appropriate, hedge accounting would be discontinued and the derivative instrument would continue to be carried at fair value with changes in its fair value recognized in earnings. In these circumstances, the net gain or loss at the time of discontinuance of hedge accounting would remain in accumulated other comprehensive income (loss) until the period or periods during which the hedged forecasted transaction affects earnings, at which time the net gain or loss would be reclassified into earnings. In the event a cash flow hedge is discontinued because it is unlikely that a forecasted transaction will occur, the derivative instrument would continue to be carried on the balance sheet at its fair value, and gains and losses that had accumulated in other comprehensive income (loss) would be recognized immediately in earnings. In the event of a sale, termination or extinguishment of a foreign currency derivative, the resulting gain or loss would be recognized immediately in earnings. The Company's policy requires approval to terminate a derivative instrument prior to its original maturity. As of December 31, 2011, the Company had no outstanding foreign currency hedges.

The Company evaluates counterparty credit risk on its derivative assets and the Company's credit risk on its derivative liabilities. As of December 31, 2011 and 2010, credit risk was not material.

Cascade and Intermountain

At December 31, 2011, Cascade held a natural gas swap agreement with total forward notional volumes of 305,000 MMBtu, which was not designated as a hedge. Cascade utilizes, and Intermountain periodically utilizes, natural gas swap agreements to manage a portion of their regulated natural gas supply portfolios in order to manage fluctuations in the price of natural gas related to core customers in accordance with authority granted by the IPUC, WUTC and OPUC. Core customers consist of residential, commercial and smaller industrial customers. The fair value of the derivative instrument must be estimated as of the end of each reporting period and is recorded on the Consolidated Balance Sheets as an asset or a liability. Periodic changes in the fair market value of the derivative instruments are recorded on the Consolidated Balance Sheets as a regulatory asset or a regulatory liability, and settlements of these arrangements are expected to be recovered through the purchased gas cost adjustment mechanism. Gains and losses on the settlements of these derivative instruments are recorded as a component of purchased natural gas sold on the Consolidated Statements of Income as they are recovered through the purchased gas cost adjustment mechanism. Under the terms of these arrangements, Cascade and Intermountain will either pay or receive settlement payments based on the difference between the fixed strike price and the monthly index price applicable to each contract. For the years ended December 31, 2011 and 2010, the change in the fair market value of the derivative instruments of \$8.9 million and \$18.5 million, respectively, were recorded as a decrease to regulatory assets.

Certain of Cascade's derivative instruments contain credit-risk-related contingent features that permit the counterparties to require collateralization if Cascade's derivative liability positions exceed certain dollar thresholds. The dollar thresholds in certain of Cascade's agreements are determined and may fluctuate based on Cascade's credit rating on its debt. In addition, Cascade's derivative instruments contain cross-default provisions that state if the entity fails to make payment with respect to certain of its indebtedness, in excess of specified amounts, the counterparties could require early settlement or termination of such entity's derivative instruments in liability positions. The aggregate fair value of Cascade's derivative instruments with credit-risk-related contingent features that are in a liability position at December 31, 2011, was \$437,000.

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The aggregate fair value of assets that would have been needed to settle the instruments immediately if the credit-risk-related contingent features were triggered on December 31, 2011, was \$437,000.

Fidelity

At December 31, 2011, Fidelity held natural gas swap agreements with total forward notional volumes of 10.8 million MMBtu, natural gas basis swap agreements with total forward notional volumes of 3.5 million MMBtu, and oil swap and collar agreements with total forward notional volumes of 4.0 million Bbl, all of which were designated as cash flow hedging instruments. Fidelity utilizes these derivative instruments to manage a portion of the market risk associated with fluctuations in the price of natural gas and oil and basis differentials on its forecasted sales of natural gas and oil production.

As of December 31, 2011, the maximum term of the derivative instruments, in which the exposure to the variability in future cash flows for forecasted transactions is being hedged, is 24 months.

Centennial

At December 31, 2011, Centennial held interest rate swap agreements with a total notional amount of \$60.0 million, which were designated as cash flow hedging instruments. Centennial entered into these interest rate derivative instruments to manage a portion of its interest rate exposure on the forecasted issuance of long-term debt. Centennial's interest rate swap agreements have mandatory termination dates ranging from October 2012 through June 2013.

Fidelity and Centennial

The fair value of the derivative instruments must be estimated as of the end of each reporting period and is recorded on the Consolidated Balance Sheets as an asset or liability. Changes in the fair value attributable to the effective portion of hedging instruments, net of tax, are recorded in stockholders' equity as a component of accumulated other comprehensive income (loss). To the extent that the hedges are not effective, the ineffective portion of the changes in fair market value is recorded directly in earnings.

For the year ended December 31, 2011, \$1.8 million (before tax) of hedge ineffectiveness related to natural gas and oil derivative instruments was reclassified as a gain into operating revenues and is reflected on the Consolidated Statements of Income. The amount of hedge ineffectiveness was immaterial for the years ended December 31, 2010 and 2009, and there were no components of the derivative instruments' gain or loss excluded from the assessment of hedge effectiveness. Gains and losses must be reclassified into earnings as a result of the discontinuance of cash flow hedges if it is probable that the original forecasted transactions will not occur. There were no such reclassifications into earnings as a result of the discontinuance of hedges.

Gains and losses on the natural gas and oil derivative instruments are reclassified from accumulated other comprehensive income (loss) into operating revenues on the Consolidated Statements of Income at the date the natural gas and oil quantities are settled. The proceeds received for natural gas and oil production are generally based on market prices. Gains and losses on the interest rate derivatives are reclassified from accumulated other comprehensive income (loss) into interest expense on the Consolidated Statements of Income in the same period the hedged item affects earnings. For further information regarding the gains and losses on derivative instruments qualifying as cash flow hedges that were recognized in other comprehensive income (loss) and the gains and losses reclassified from accumulated other comprehensive income (loss) into earnings, see Note 1.

Based on December 31, 2011, fair values, over the next 12 months net gains of approximately \$8.7 million (after tax) are estimated to be reclassified from accumulated other comprehensive income (loss) into earnings, subject to changes in natural gas and oil market prices and interest rates, as the hedged transactions affect earnings.

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Certain of Fidelity's and Centennial's derivative instruments contain cross-default provisions that state if Fidelity or any of its affiliates or Centennial fails to make payment with respect to certain indebtedness, in excess of specified amounts, the counterparties could require early settlement or termination of derivative instruments in liability positions. The aggregate fair value of Fidelity's and Centennial's derivative instruments with credit-risk-related contingent features that are in a liability position at December 31, 2011, was \$18.4 million. The aggregate fair value of assets that would have been needed to settle the instruments immediately if the credit-risk-related contingent features were triggered on December 31, 2011, was \$18.4 million.

The location and fair value of the Company's derivative instruments on the Consolidated Balance Sheets were as follows:

Asset Derivatives	Location on Consolidated Balance Sheets	Fair Value at	Fair Value at
		December 31, 2011	December 31, 2010
(In thousands)			
Designated as hedges:			
Commodity derivatives	Commodity derivative instruments	\$ 27,687	\$ 15,123
	Other assets - noncurrent	2,768	4,104
		30,455	19,227
Not designated as hedges:			
Commodity derivatives	Commodity derivative instruments	—	—
	Other assets - noncurrent	—	—
		—	—
Total asset derivatives		\$ 30,455	\$ 19,227

Liability Derivatives	Location on Consolidated Balance Sheets	Fair Value at	Fair Value at
		December 31, 2011	December 31, 2010
(In thousands)			
Designated as hedges:			
Commodity derivatives	Commodity derivative instruments	\$ 12,727	\$ 15,069
	Other liabilities - noncurrent	937	6,483
Interest rate derivatives	Other accrued liabilities	827	—
	Other liabilities - noncurrent	3,935	—
		18,426	21,552
Not designated as hedges:			
Commodity derivatives	Commodity derivative instruments	437	9,359
	Other liabilities - noncurrent	—	—
		437	9,359
Total liability derivatives		\$ 18,863	\$ 30,911

Note 8 - Fair Value Measurements

The Company measures its investments in certain fixed-income and equity securities at fair value with changes in fair value recognized in income. The Company anticipates using these investments to satisfy its obligations under its unfunded, nonqualified benefit plans for executive officers and certain key management employees, and invests in these fixed-income and equity securities for the purpose of earning investment returns and capital appreciation. These investments, which totaled \$38.4 million and \$39.5 million as of December 31, 2011 and 2010, respectively, are classified as Investments on the Consolidated Balance Sheets. The decrease in the fair value of these investments for the year ended December 31, 2011, was \$1.1 million (before tax). The increase in the fair value of these investments for the years ended December 31, 2010 and 2009, was \$5.8

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million (before tax) and \$7.1 million (before tax), respectively. The change in fair value, which is considered part of the cost of the plan, is classified in operation and maintenance expense on the Consolidated Statements of Income.

The Company did not elect the fair value option, which records gains and losses in income, for its remaining available-for-sale securities, which include auction rate securities, mortgage-backed securities and U.S. Treasury securities. These available-for-sale securities are recorded at fair value and are classified as Investments on the Consolidated Balance Sheets. The Company's auction rate securities approximate cost and, as a result, there are no accumulated unrealized gains or losses recorded in accumulated other comprehensive income (loss) on the Consolidated Balance Sheets related to these investments. Unrealized gains or losses on mortgage-backed securities and U.S. Treasury securities are recorded in accumulated other comprehensive income (loss) as discussed in Note 1. Details of available-for-sale securities were as follows:

December 31, 2011	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
(In thousands)				
Insurance investment contract	\$ 31,884	\$ 6,468	\$ —	\$ 38,352
Auction rate securities	11,400	—	—	11,400
Mortgage-backed securities	8,206	95	(5)	8,296
U.S. Treasury securities	1,619	37	—	1,656
Total	\$ 53,109	\$ 6,600	(5)	\$ 59,704

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Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. The ASC establishes a hierarchy for grouping assets and liabilities, based on the significance of inputs. The Company's assets and liabilities measured at fair value on a recurring basis are as follows:

	Fair Value Measurements at December 31, 2011, Using				Balance at December 31, 2011
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
(In thousands)					
Assets:					
Money market funds	\$	—	\$ 97,500	\$	\$ 97,500
Available-for-sale securities:					
Insurance investment contract*		—	38,352	—	38,352
Auction rate securities		—	11,400	—	11,400
Mortgage-backed securities		—	8,296	—	8,296
U.S. Treasury securities		—	1,656	—	1,656
Commodity derivative instruments - current		—	27,687	—	27,687
Commodity derivative instruments - noncurrent		—	2,768	—	2,768
Total assets measured at fair value	\$	—	\$ 187,659	\$	\$ 187,659
Liabilities:					
Commodity derivative instruments - current	\$	—	\$ 13,164	\$	\$ 13,164
Commodity derivative instruments - noncurrent		—	937	—	937
Interest rate derivative instruments - current		—	827	—	827
Interest rate derivative instruments - noncurrent		—	3,935	—	3,935
Total liabilities measured at fair value	\$	—	\$ 18,863	\$	\$ 18,863

* The insurance investment contract invests approximately 33 percent in common stock of mid-cap companies, 34 percent in common stock of small-cap companies, 32 percent in common stock of large-cap companies and 1 percent in cash and cash equivalents.

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Fair Value Measurements at
December 31, 2010, Using

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2010
(In thousands)				
Assets:				
Money market funds	\$ —	\$ 166,620	\$ —	\$ 166,620
Available-for-sale securities:				
Insurance investment contract*	—	39,541	—	39,541
Auction rate securities	—	11,400	—	11,400
Commodity derivative instruments - current	—	15,123	—	15,123
Commodity derivative instruments - noncurrent	—	4,104	—	4,104
Total assets measured at fair value	\$ —	\$ 236,788	\$ —	\$ 236,788
Liabilities:				
Commodity derivative instruments - current	\$ —	\$ 24,428	\$ —	\$ 24,428
Commodity derivative instruments - noncurrent	—	6,483	—	6,483
Total liabilities measured at fair value	\$ —	\$ 30,911	\$ —	\$ 30,911

* The insurance investment contract invests approximately 35 percent in common stock of mid-cap companies, 33 percent in common stock of small-cap companies, 31 percent in common stock of large-cap companies and 1 percent in cash and cash equivalents.

The estimated fair value of the Company's Level 2 money market funds and available-for-sale securities is determined using the market approach. The Level 2 money market funds consist of investments in short-term unsecured promissory notes and the value is based on comparable market transactions taking into consideration the credit quality of the issuer. The estimated fair value of the Company's Level 2 available-for-sale securities is based on comparable market transactions, other observable inputs or other sources, including pricing from outside sources such as the fund itself.

The estimated fair value of the Company's Level 2 commodity derivative instruments is based upon futures prices, volatility and time to maturity, among other things. Counterparty statements are utilized to determine the value of the commodity derivative instruments and are reviewed and corroborated using various methodologies and significant observable inputs. The nonperformance risk of the counterparties in addition to the Company's nonperformance risk is also evaluated.

The estimated fair value of the Company's Level 2 interest rate derivative instruments is measured using quoted market prices or pricing models using prevailing market interest rates as of the measurement date. Counterparty statements are utilized to determine the value of the interest rate derivative instruments and are reviewed and corroborated using various methodologies and significant observable inputs. The nonperformance risk of the counterparties in addition to the Company's nonperformance risk is also evaluated.

Though the Company believes the methods used to estimate fair value are consistent with those used by other market participants, the use of other methods or assumptions could result in a different estimate of fair value. For the years ended December 31, 2011 and 2010, there were no significant transfers between Levels 1 and 2.

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The Company's long-term debt is not measured at fair value on the Consolidated Balance Sheets and the fair value is being provided for disclosure purposes only, and was based on quoted market prices of the same or similar issues. The estimated fair value of the Company's long-term debt at December 31 was as follows:

	2011		2010	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(In thousands)			
Long-term debt	\$ 1,424,678	\$ 1,592,807	\$ 1,506,752	\$ 1,621,184

The carrying amounts of the Company's remaining financial instruments included in current assets and current liabilities approximate their fair values.

Note 9 - Debt

Certain debt instruments of the Company and its subsidiaries, including those discussed below, contain restrictive covenants and cross-default provisions. In order to borrow under the respective credit agreements, the Company and its subsidiaries must be in compliance with the applicable covenants and certain other conditions, all of which the Company and its subsidiaries, as applicable, were in compliance with at December 31, 2011. In the event the Company and its subsidiaries do not comply with the applicable covenants and other conditions, alternative sources of funding may need to be pursued.

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The following table summarizes the outstanding credit facilities of the Company and its subsidiaries:

Company	Facility	Facility Limit	Amount Outstanding at December 31, 2011	Amount Outstanding at December 31, 2010	Letters of Credit at December 31, 2011	Expiration Date
(Dollars in millions)						
MDU Resources Group, Inc.	Commercial paper/Revolving credit agreement (a)	\$ 100.0	\$ — (h)	\$ 20.0 (b)	—	5/26/15
Cascade Natural Gas Corporation	Revolving credit agreement	\$ 50.0 (c)	\$ —	\$ —	1.9 (d)	12/28/12(e)
Intermountain Gas Company	Revolving credit agreement	\$ 65.0 (f)	\$ 8.1	\$ 20.2	—	8/11/13
Centennial Energy Holdings, Inc.	Commercial paper/Revolving credit agreement (g)	\$ 400.0	\$ — (h)	\$ — (h)	21.6 (d)	12/13/12

- (a) The \$125 million commercial paper program is supported by a revolving credit agreement with various banks totaling \$100 million (provisions allow for increased borrowings, at the option of the Company on stated conditions, up to a maximum of \$150 million). There were no amounts outstanding under the credit agreement.
- (b) Amount outstanding under commercial paper program that was classified as short-term borrowings because the revolving credit agreement expired within one year.
- (c) Certain provisions allow for increased borrowings, up to a maximum of \$75 million.
- (d) The outstanding letters of credit, as discussed in Note 19, reduce amounts available under the credit agreement.
- (e) Provisions allow for an extension of up to two years upon consent of the banks.
- (f) Certain provisions allow for increased borrowings, up to a maximum of \$80 million.
- (g) The \$400 million commercial paper program is supported by a revolving credit agreement with various banks totaling \$400 million (provisions allow for increased borrowings, at the option of Centennial on stated conditions, up to a maximum of \$450 million). There were no amounts outstanding under the credit agreement.
- (h) Amount outstanding under commercial paper program.

The Company's and Centennial's respective commercial paper programs are supported by revolving credit agreements. While the amount of commercial paper outstanding does not reduce available capacity under the respective revolving credit agreements, the Company and Centennial do not issue commercial paper in an aggregate amount exceeding the available capacity under their credit agreements.

The following includes information related to the preceding table.

Short-term borrowings

Centennial Energy Holdings, Inc. Centennial's revolving credit agreement supports its commercial paper program. Any commercial paper borrowings as of December 31, 2011, would have been classified as short-term borrowings because the revolving credit agreement expires within one year. Any commercial paper borrowings as of December 31, 2010, would have been classified as long-term debt as they are intended to be refinanced on a long-term basis through continued commercial paper borrowings.

Centennial's revolving credit agreement contains customary covenants and provisions, including a covenant of Centennial and certain of its subsidiaries, not to permit, as of the end of any fiscal quarter, the ratio of total debt to total capitalization to be greater than 65 percent. Other covenants include restrictions on the sale of certain assets and on the making of certain loans and investments.

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Certain of Centennial's financing agreements contain cross-default provisions. These provisions state that if Centennial or any subsidiary of Centennial fails to make any payment with respect to any indebtedness or contingent obligation, in excess of a specified amount, under any agreement that causes such indebtedness to be due prior to its stated maturity or the contingent obligation to become payable, the applicable agreements will be in default. Certain of Centennial's financing agreements and Centennial's practices limit the amount of subsidiary indebtedness.

Cascade Natural Gas Corporation Any borrowings under the \$50 million revolving credit agreement would be classified as short-term borrowings as Cascade intends to repay the borrowings within one year.

Cascade's credit agreement contains customary covenants and provisions, including a covenant of Cascade not to permit, at any time, the ratio of total debt to total capitalization to be greater than 65 percent. Cascade's credit agreement also contains cross-default provisions. These provisions state that if Cascade fails to make any payment with respect to any indebtedness or contingent obligation, in excess of a specified amount, under any agreement that causes such indebtedness to be due prior to its stated maturity or the contingent obligation to become payable, Cascade will be in default under the credit agreement. Certain of Cascade's financing agreements and Cascade's practices limit the amount of subsidiary indebtedness.

Long-term debt

MDU Resources Group, Inc. On May 26, 2011, the Company entered into a new revolving credit agreement, which replaced the revolving credit agreement that expired on June 21, 2011. The Company's revolving credit agreement supports its commercial paper program. Any commercial paper borrowings under this agreement would be classified as long-term debt as they are intended to be refinanced on a long-term basis through continued commercial paper borrowings. The commercial paper borrowings outstanding as of December 31, 2010, were classified as short-term borrowings because the previous revolving credit agreement expired within one year.

The credit agreement contains customary covenants and provisions, including covenants of the Company not to permit, as of the end of any fiscal quarter, (A) the ratio of funded debt to total capitalization (determined on a consolidated basis) to be greater than 65 percent or (B) the ratio of funded debt to capitalization (determined with respect to the Company alone, excluding its subsidiaries) to be greater than 65 percent. Other covenants include limitations on the sale of certain assets and on the making of certain loans and investments.

There are no credit facilities that contain cross-default provisions between the Company and any of its subsidiaries.

Intermountain Gas Company The credit agreement contains customary covenants and provisions, including covenants of Intermountain not to permit, as of the end of any fiscal quarter, the ratio of funded debt to total capitalization (determined on a consolidated basis) to be greater than 65 percent. Other covenants include limitations on the sale of certain assets and on the making of certain loans and investments.

Intermountain's credit agreement contains cross-default provisions. These provisions state that if (i) Intermountain fails to make any payment with respect to any indebtedness or guarantee in excess of a specified amount, (ii) any other event occurs that would permit the holders of indebtedness or the beneficiaries of guarantees to become payable, or (iii) certain conditions result in an early termination date under any swap contract that is in excess of \$10 million, then Intermountain shall be in default under the revolving credit agreement.

MDU Energy Capital, LLC The ability to request additional borrowings under the master shelf agreement expired in 2010; however, there is debt outstanding that is reflected in

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the following table. The master shelf agreement contains customary covenants and provisions, including covenants of MDU Energy Capital not to permit (A) the ratio of its total debt (on a consolidated basis) to adjusted total capitalization to be greater than 70 percent, or (B) the ratio of subsidiary debt to subsidiary capitalization to be greater than 65 percent, or (C) the ratio of Intermountain's total debt (determined on a consolidated basis) to total capitalization to be greater than 65 percent. The agreement also includes a covenant requiring the ratio of MDU Energy Capital earnings before interest and taxes to interest expense (on a consolidated basis), for the 12-month period ended each fiscal quarter, to be greater than 1.5 to 1. In addition, payment obligations under the master shelf agreement may be accelerated upon the occurrence of an event of default (as described in the agreement).

Centennial Energy Holdings, Inc. The ability to request additional borrowings under an uncommitted long-term master shelf agreement expired; however, there is debt outstanding that is reflected in the following table. The uncommitted long-term master shelf agreement contains customary covenants and provisions, including a covenant of Centennial and certain of its subsidiaries, not to permit, as of the end of any fiscal quarter, the ratio of total debt to total capitalization to be greater than 60 percent. The master shelf agreement also includes a covenant that does not permit the ratio of Centennial's earnings before interest, taxes, depreciation and amortization to interest expense, for the 12-month period ended each fiscal quarter, to be less than 1.75 to 1. Other covenants include minimum consolidated net worth, limitation on priority debt and restrictions on the sale of certain assets and on the making of certain loans and investments.

Williston Basin Interstate Pipeline Company The ability to request additional borrowings under the uncommitted long-term private shelf agreement expired December 23, 2011; however, there is debt outstanding that is reflected in the following table. The uncommitted long-term private shelf agreement contains customary covenants and provisions, including a covenant of Williston Basin not to permit, as of the end of any fiscal quarter, the ratio of total debt to total capitalization to be greater than 55 percent. Other covenants include limitation on priority debt and some restrictions on the sale of certain assets and the making of certain investments.

Long-term Debt Outstanding Long-term debt outstanding at December 31 was as follows:

	2011	2010
	(In thousands)	
Senior Notes at a weighted average rate of 6.01%, due on dates ranging from May 15, 2012 to March 8, 2037	\$ 1,287,576	\$ 1,358,848
Medium-Term Notes at a weighted average rate of 7.72%, due on dates ranging from September 4, 2012 to March 16, 2029	81,000	81,000
Other notes at a weighted average rate of 5.24%, due on dates ranging from September 1, 2020 to February 1, 2035	40,469	41,189
Credit agreements at a weighted average rate of 2.98%, due on dates ranging from September 30, 2012 to November 30, 2038	15,633	25,715
Total long-term debt	1,424,678	1,506,752
Less current maturities	139,267	72,797
Net long-term debt	\$ 1,285,411	\$ 1,433,955

The amounts of scheduled long-term debt maturities for the five years and thereafter following December 31, 2011, aggregate \$139.3 million in 2012; \$267.3 million in 2013; \$9.3 million in 2014; \$266.4 million in 2015; \$288.4 million in 2016 and \$454.0 million thereafter.

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Note 10 - Asset Retirement Obligations

The Company records obligations related to the plugging and abandonment of natural gas and oil wells, decommissioning of certain electric generating facilities, reclamation of certain aggregate properties, special handling and disposal of hazardous materials at certain electric generating facilities, natural gas distribution facilities and buildings, and certain other obligations.

A reconciliation of the Company's liability, which is included in other liabilities, for the years ended December 31 was as follows:

	2011	2010
	(In thousands)	
Balance at beginning of year	\$ 95,970	\$ 76,359
Liabilities incurred	3,870	8,608
Liabilities acquired	—	5,272
Liabilities settled	(10,418)	(10,740)
Accretion expense	4,466	3,588
Revisions in estimates	3,921	12,621
Other	342	262
Balance at end of year	\$ 98,151	\$ 95,970

The Company believes that any expenses related to asset retirement obligations at the Company's regulated operations will be recovered in rates over time and, accordingly, defers such expenses as regulatory assets.

The fair value of assets that are legally restricted for purposes of settling asset retirement obligations at December 31, 2011 and 2010, was \$5.7 million and \$5.7 million, respectively.

Note 11 - Preferred Stocks

Preferred stocks at December 31 were as follows:

	2011	2010
	(Dollars in thousands)	
Authorized:		
Preferred -		
500,000 shares, cumulative, par value \$100, issuable in series		
Preferred stock A -		
1,000,000 shares, cumulative, without par value, issuable in series (none outstanding)		
Preference -		
500,000 shares, cumulative, without par value, issuable in series (none outstanding)		
Outstanding:		
4.50% Series - 100,000 shares	\$ 10,000	\$ 10,000
4.70% Series - 50,000 shares	5,000	5,000
Total preferred stocks	\$ 15,000	\$ 15,000

For the years 2011, 2010 and 2009, dividends declared on the 4.50% Series and 4.70% Series preferred stocks were \$4.50 and \$4.70 per share, respectively. The 4.50% Series and 4.70% Series preferred stocks outstanding are subject to redemption, in whole or in part, at the option of the Company with certain limitations on 30 days notice on any quarterly dividend date at a redemption price, plus accrued dividends, of \$105 per share and \$102 per share, respectively.

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In the event of a voluntary or involuntary liquidation, all preferred stock series holders are entitled to \$100 per share, plus accrued dividends.

The affirmative vote of two-thirds of a series of the Company's outstanding preferred stock is necessary for amendments to the Company's charter or bylaws that adversely affect that series; creation of or increase in the amount of authorized stock ranking senior to that series (or an affirmative majority vote where the authorization relates to a new class of stock that ranks on parity with such series); a voluntary liquidation or sale of substantially all of the Company's assets; a merger or consolidation, with certain exceptions; or the partial retirement of that series of preferred stock when all dividends on that series of preferred stock have not been paid. The consent of the holders of a particular series is not required for such corporate actions if the equivalent vote of all outstanding series of preferred stock voting together has consented to the given action and no particular series is affected differently than any other series.

Subject to the foregoing, the holders of common stock exclusively possess all voting power. However, if cumulative dividends on preferred stock are in arrears, in whole or in part, for one year, the holders of preferred stock would obtain the right to one vote per share until all dividends in arrears have been paid and current dividends have been declared and set aside.

Note 12 - Common Stock

The Stock Purchase Plan provides interested investors the opportunity to make optional cash investments and to reinvest all or a percentage of their cash dividends in shares of the Company's common stock. The K-Plan is partially funded with the Company's common stock. From January 2009 through December 2011, purchases of shares of common stock on the open market were used to fund the Stock Purchase Plan and K-Plan. At December 31, 2011, there were 23.2 million shares of common stock reserved for original issuance under the Stock Purchase Plan and K-Plan.

The Company depends on earnings from its divisions and dividends from its subsidiaries to pay dividends on common stock. The declaration and payment of dividends is at the sole discretion of the board of directors, subject to limitations imposed by the Company's credit agreements, federal and state laws, and applicable regulatory limitations. In addition, the Company and Centennial are generally restricted to paying dividends out of capital accounts or net assets. The most restrictive limitations are discussed below.

Pursuant to a covenant under a credit agreement, Centennial may only make distributions to the Company in an amount up to 100 percent of Centennial's consolidated net income after taxes for the immediately preceding fiscal year. Intermountain and Cascade have regulatory limitations on the amount of dividends each can pay. Based on these limitations, approximately \$2.2 billion of the net assets of the Company's subsidiaries were restricted from being used to transfer funds to the Company at December 31, 2011. In addition, the Company's credit agreement also contains restrictions on dividend payments. The most restrictive limitation requires the Company not to permit the ratio of funded debt to capitalization (determined with respect to the Company alone, excluding its subsidiaries) to be greater than 65 percent. Based on this limitation, approximately \$136 million of the Company's (excluding its subsidiaries) net assets would be restricted from use for dividend payments at December 31, 2011. In addition, state regulatory commissions may require the Company to maintain certain capitalization ratios. These requirements are not expected to affect the Company's ability to pay dividends in the near term.

Note 13 - Stock-Based Compensation

The Company has several stock-based compensation plans under which it is currently authorized to grant restricted stock and stock. As of December 31, 2011, there are 6.3 million remaining shares available to grant under these plans. The Company generally issues new shares of common stock to satisfy restricted stock, stock and performance share awards.

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Total stock-based compensation expense was \$3.5 million, net of income taxes of \$2.2 million in 2011; \$3.4 million, net of income taxes of \$2.1 million in 2010; and \$3.4 million, net of income taxes of \$2.2 million in 2009.

As of December 31, 2011, total remaining unrecognized compensation expense related to stock-based compensation was approximately \$5.5 million (before income taxes) which will be amortized over a weighted average period of 1.6 years.

Stock options

The Company had granted stock options to directors, key employees and employees. The Company has not granted stock options since 2003. Options granted to key employees automatically vested after nine years, but the plan provided for accelerated vesting based on the attainment of certain performance goals or upon a change in control of the Company, and expired ten years after the date of grant. Options granted to employees vested three years after the date of grant and expired ten years after the date of grant. Options granted to directors vested at the date of grant and expire ten years after the date of grant.

The fair value of each option outstanding was estimated on the date of grant using the Black-Scholes option-pricing model.

A summary of the status of the stock option plans at December 31, 2011, and changes during the year then ended was as follows:

	Number of Shares	Weighted Average Exercise Price
Balance at beginning of year	440,984	\$ 13.34
Forfeited	(3,893)	13.22
Exercised	(430,341)	13.34
Balance at end of year	6,750	13.03
Exercisable at end of year	6,750	\$ 13.03

Stock options outstanding as of December 31, 2011, had an aggregate intrinsic value of \$57,000, and approximately six months of remaining contractual life. The aggregate intrinsic value represents the total intrinsic value (before income taxes), based on the Company's stock price on December 31, 2011, which would have been received by the option holders had all option holders exercised their options as of that date.

The Company received cash of \$5.7 million, \$5.0 million and \$2.1 million from the exercise of stock options for the years ended December 31, 2011, 2010 and 2009, respectively. The aggregate intrinsic value of options exercised during the years ended December 31, 2011, 2010 and 2009, was \$3.3 million, \$2.6 million and \$1.3 million, respectively.

Stock awards

Nonemployee directors may receive shares of common stock instead of cash in payment for directors' fees under the nonemployee director stock compensation plan. There were 55,141 shares with a fair value of \$1.1 million, 43,128 shares with a fair value of \$849,000 and 49,649 shares with a fair value of \$879,000 issued under this plan during the years ended December 31, 2011, 2010 and 2009, respectively.

Performance share awards

Since 2003, key employees of the Company have been awarded performance share awards each year. Entitlement to performance shares is based on the Company's total shareholder return over designated performance periods as measured against a selected peer group.

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Target grants of performance shares outstanding at December 31, 2011, were as follows:

Grant Date	Performance Period	Target Grant of Shares
February 2009	2009-2011	257,836
March 2010	2010-2012	227,009
February 2011	2011-2013	277,309

Participants may earn from zero to 200 percent of the target grant of shares based on the Company's total shareholder return relative to that of the selected peer group. Compensation expense is based on the grant-date fair value as determined by Monte Carlo simulation. The blended volatility term structure ranges are comprised of 50 percent historical volatility and 50 percent implied volatility. Risk-free interest rates were based on U.S. Treasury security rates in effect as of the grant date. Assumptions used for grants of performance shares issued in 2011, 2010 and 2009 were:

	2011	2010	2009
Grant-date fair value	\$ 19.99	\$ 17.40	\$ 20.39
Blended volatility range	23.20% - 32.18%	25.69% - 35.36%	40.40% - 50.98%
Risk-free interest rate range	.09% - 1.34%	.13% - 1.45%	.30% - 1.36%
Discounted dividends per share	\$ 1.23	\$ 1.04	\$ 1.79

There were no performance shares that vested in 2011. The fair value of performance share awards that vested during the years ended December 31, 2010 and 2009, was \$3.5 million and \$2.8 million, respectively.

A summary of the status of the performance share awards for the year ended December 31, 2011, was as follows:

	Number of Shares	Weighted Average Grant-Date Fair Value
Nonvested at beginning of period	669,685	\$ 22.19
Granted	278,252	19.99
Vested	—	—
Forfeited	(185,783)	30.55
Nonvested at end of period	762,154	\$ 19.35

Note 14 - Income Taxes

The components of income (loss) before income taxes from continuing operations for each of the years ended December 31 were as follows:

	2011	2010	2009
	(In thousands)		
United States	\$ 333,486	\$ 336,450	\$ (227,021)
Foreign	2,740	30,100	7,655
Income (loss) before income taxes from continuing operations	\$ 336,226	\$ 366,550	\$ (219,366)

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Income tax expense (benefit) from continuing operations for the years ended December 31 was as follows:

	2011	2010	2009
(In thousands)			
Current:			
Federal	\$ (7,188)	\$ 37,014	\$ 64,389
State	778	10,589	8,284
Foreign	127	4,451	254
	(6,283)	52,054	72,927
Deferred:			
Income taxes -			
Federal	105,528	62,618	(147,607)
State	13,157	4,147	(22,370)
Investment tax credit - net	240	(180)	213
	118,925	66,585	(169,764)
Change in uncertain tax benefits	(1,048)	3,230	562
Change in accrued interest	(1,320)	661	183
Total income tax expense (benefit)	\$ 110,274	\$ 122,530	\$ (96,092)

Components of deferred tax assets and deferred tax liabilities at December 31 were as follows:

	2011	2010
(In thousands)		
Deferred tax assets:		
Regulatory matters	\$ 119,189	\$ 114,427
Accrued pension costs	95,260	82,085
Asset retirement obligations	26,380	24,391
Legal and environmental contingencies	21,788	13,622
Compensation-related	16,241	17,261
Other	41,055	40,307
Total deferred tax assets	319,913	292,093
Deferred tax liabilities:		
Depreciation and basis differences on property, plant and equipment	715,482	679,809
Basis differences on natural gas and oil producing properties	210,146	152,455
Regulatory matters	84,963	64,017
Intangible asset amortization	14,307	14,843
Other	23,774	20,348
Total deferred tax liabilities	1,048,672	931,472
Net deferred income tax liability	\$ (728,759)	\$ (639,379)

As of December 31, 2011 and 2010, no valuation allowance has been recorded associated with the previously identified deferred tax assets.

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The following table reconciles the change in the net deferred income tax liability from December 31, 2010, to December 31, 2011, to deferred income tax expense:

	2011
	(In thousands)
Change in net deferred income tax liability from the preceding table	\$ 89,380
Deferred taxes associated with other comprehensive loss	9,678
Deferred taxes associated with discontinued operations	8,090
Other	11,777
Deferred income tax expense for the period	\$ 118,925

Total income tax expense (benefit) differs from the amount computed by applying the statutory federal income tax rate to income (loss) before taxes. The reasons for this difference were as follows:

Years ended December 31,	2011		2010		2009	
	Amount	%	Amount	%	Amount	%
(Dollars in thousands)						
Computed tax at federal statutory rate	\$ 117,679	35.0	\$ 128,293	35.0	\$ (76,778)	35.0
Increases (reductions) resulting from:						
State income taxes, net of federal income tax benefit (expense)	10,653	3.2	10,210	2.8	(7,280)	3.3
Resolution of tax matters and uncertain tax positions	(3,906)	(1.2)	667	.2	881	(1.4)
Federal renewable energy credit	(3,485)	(1.0)	(2,185)	(1.6)	(1,452)	.7
Depletion allowance	(3,266)	(1.0)	(2,810)	(1.8)	(2,320)	1.0
Deductible K-Plan dividends	(2,282)	(1.7)	(2,309)	(1.6)	(2,369)	1.1
Foreign operations	(391)	(1.1)	(588)	(2.2)	(1,148)	.5
Domestic production activities deduction	—	—	—	—	(856)	.4
Other	(4,728)	(1.4)	(8,748)	(2.4)	(4,770)	2.2
Total income tax expense (benefit)	\$ 110,274	32.8	\$ 122,530	33.4	\$ (96,092)	43.8

The income tax benefit in 2009 resulted largely from the Company's write-down of natural gas and oil properties, as discussed in Note 1.

Deferred income taxes have been accrued with respect to temporary differences related to the Company's foreign operations. The amount of cumulative undistributed earnings for which there are temporary differences is approximately \$6.9 million at December 31, 2011. The amount of deferred tax liability, net of allowable foreign tax credits, associated with the undistributed earnings at December 31, 2011, was approximately \$1.6 million.

The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction, and various state, local and foreign jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years ending prior to 2007.

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A reconciliation of the unrecognized tax benefits (excluding interest) for the years ended December 31 was as follows:

	2011	2010	2009
	(In thousands)		
Balance at beginning of year	\$ 9,378	\$ 6,148	\$ 5,586
Additions for tax positions of prior years	4,172	3,230	562
Settlements	(2,344)	—	—
Balance at end of year	\$ 11,206	\$ 9,378	\$ 6,148

Included in the balance of unrecognized tax benefits at December 31, 2011 and 2010, were \$6.6 million and \$3.8 million, respectively, of tax positions for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility. Because of the impact of deferred tax accounting, other than interest and penalties, the disallowance of the shorter deductibility period would not affect the annual effective tax rate but would accelerate the payment of cash to the taxing authority to an earlier period. The amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate was \$6.0 million, including approximately \$1.4 million for the payment of interest and penalties at December 31, 2011, and was \$7.1 million, including approximately \$1.5 million for the payment of interest and penalties at December 31, 2010.

It is likely that substantially all of the unrecognized tax benefits, as well as interest, at December 31, 2011, will be settled in the next twelve months due to the anticipated settlement of federal and state audits.

For the years ended December 31, 2011, 2010 and 2009, the Company recognized approximately \$780,000, \$2.0 million and \$190,000, respectively, in interest expense. Penalties were not material in 2011, 2010 and 2009. The Company recognized interest income of approximately \$1.9 million, \$20,000 and \$165,000 for the years ended December 31, 2011, 2010 and 2009, respectively. The Company had accrued liabilities of approximately \$970,000 and \$2.3 million at December 31, 2011 and 2010, respectively, for the payment of interest.

Note 15 - Business Segment Data

The Company's reportable segments are those that are based on the Company's method of internal reporting, which generally segregates the strategic business units due to differences in products, services and regulation. The vast majority of the Company's operations are located within the United States. The Company also has investments in foreign countries, which largely consist of Centennial Resources' equity method investment in ECTE.

The electric segment generates, transmits and distributes electricity in Montana, North Dakota, South Dakota and Wyoming. The natural gas distribution segment distributes natural gas in those states as well as in Idaho, Minnesota, Oregon and Washington. These operations also supply related value-added services.

The pipeline and energy services segment provides natural gas transportation, underground storage and gathering services through regulated and nonregulated pipeline systems primarily in the Rocky Mountain and northern Great Plains regions of the United States. This segment also provides cathodic protection and other energy-related services.

The exploration and production segment is engaged in natural gas and oil acquisition, exploration, development and production activities in the Rocky Mountain and Mid-Continent regions of the United States and in and around the Gulf of Mexico.

The construction materials and contracting segment mines aggregates and markets crushed stone, sand, gravel and related construction materials, including ready-mixed concrete, cement, asphalt, liquid asphalt and other value-added products. It also performs

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integrated contracting services. This segment operates in the central, southern and western United States and Alaska and Hawaii.

The construction services segment specializes in constructing and maintaining electric and communication lines, gas pipelines, fire suppression systems, and external lighting and traffic signalization equipment. This segment also provides utility excavation services and inside electrical wiring, cabling and mechanical services, sells and distributes electrical materials, and manufactures and distributes specialty equipment.

The Other category includes the activities of Centennial Capital, which insures various types of risks as a captive insurer for certain of the Company's subsidiaries. The function of the captive insurer is to fund the deductible layers of the insured companies' general liability and automobile liability coverages. Centennial Capital also owns certain real and personal property. The Other category also includes Centennial Resources' equity method investment in ECTE.

The information below follows the same accounting policies as described in the Summary of Significant Accounting Policies. Information on the Company's businesses as of December 31 and for the years then ended was as follows:

	2011	2010	2009
	(In thousands)		
External operating revenues:			
Electric	\$ 225,468	\$ 211,544	\$ 196,171
Natural gas distribution	907,400	892,708	1,072,776
Pipeline and energy services	210,846	254,776	235,322
	1,343,714	1,359,028	1,504,269
Exploration and production	359,873	318,570	338,425
Construction materials and contracting	1,509,538	1,445,148	1,515,122
Construction services	834,918	786,802	818,685
Other	2,449	147	—
	2,706,778	2,550,667	2,672,232
Total external operating revenues	\$ 4,050,492	\$ 3,909,695	\$ 4,176,501
Intersegment operating revenues:			
Electric	\$ —	\$ —	\$ —
Natural gas distribution	—	—	—
Pipeline and energy services	67,497	75,033	72,505
Exploration and production	93,713	115,784	101,230
Construction materials and contracting	472	—	—
Construction services	19,471	2,298	379
Other	8,997	7,580	9,487
Intersegment eliminations	(190,150)	(200,695)	(183,601)
Total intersegment operating revenues	\$ —	\$ —	\$ —
Depreciation, depletion and amortization:			
Electric	\$ 32,177	\$ 27,274	\$ 24,637
Natural gas distribution	44,641	43,044	42,723
Pipeline and energy services	25,502	26,001	25,581
Exploration and production	142,645	130,455	129,922
Construction materials and contracting	85,459	88,331	93,615
Construction services	11,399	12,147	12,760
Other	1,572	1,591	1,304
Total depreciation, depletion and amortization	\$ 343,395	\$ 328,843	\$ 330,542

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	2011	2010	2009
	(In thousands)		
Interest expense:			
Electric	\$ 13,745	\$ 12,216	\$ 9,577
Natural gas distribution	29,444	28,996	30,656
Pipeline and energy services	10,516	9,064	8,896
Exploration and production	7,445	8,580	10,621
Construction materials and contracting	16,241	19,859	20,495
Construction services	4,473	4,411	4,490
Other	—	47	43
Intersegment eliminations	(510)	(162)	(679)
Total interest expense	\$ 81,354	\$ 83,011	\$ 84,099
Income taxes:			
Electric	\$ 7,242	\$ 11,187	\$ 8,205
Natural gas distribution	16,931	12,171	16,331
Pipeline and energy services	12,912	13,933	22,982
Exploration and production	46,298	49,034	(187,000)
Construction materials and contracting	11,227	13,822	25,940
Construction services	13,426	11,456	15,189
Other	2,238	10,927	2,261
Total income taxes	\$ 110,274	\$ 122,530	\$ (96,092)
Earnings (loss) on common stock:			
Electric	\$ 29,258	\$ 28,908	\$ 24,099
Natural gas distribution	38,398	36,944	30,796
Pipeline and energy services	23,082	23,208	37,845
Exploration and production	80,282	85,638	(296,730)
Construction materials and contracting	26,430	29,609	47,085
Construction services	21,627	17,982	25,589
Other	6,190	21,046	7,357
Earnings (loss) on common stock before			
loss from discontinued operations	225,267	243,335	(123,959)
Loss from discontinued operations, net of tax*	(12,926)	(3,361)	—
Total earnings (loss) on common stock	\$ 212,341	\$ 239,974	\$ (123,959)
Capital expenditures:			
Electric	\$ 52,072	\$ 85,787	\$ 115,240
Natural gas distribution	70,624	75,365	43,820
Pipeline and energy services	45,556	14,255	70,168
Exploration and production	272,855	355,845	183,140
Construction materials and contracting	52,303	25,724	26,313
Construction services	9,711	14,849	12,814
Other	18,759	2,182	3,196
Net proceeds from sale or disposition of property and other	(40,857)	(78,761)	(26,679)
Total net capital expenditures	\$ 481,023	\$ 495,246	\$ 428,012

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	2011	2010	2009
	(In thousands)		
Assets:			
Electric**	\$ 672,940	\$ 643,636	\$ 569,666
Natural gas distribution**	1,679,091	1,632,012	1,588,144
Pipeline and energy services	526,797	523,075	538,230
Exploration and production	1,481,556	1,342,808	1,137,628
Construction materials and contracting	1,374,026	1,382,836	1,449,469
Construction services	418,519	387,627	328,895
Other***	403,196	391,555	378,920
Total assets	\$ 6,556,125	\$ 6,303,549	\$ 5,990,952

Property, plant and equipment:			
Electric**	\$ 1,068,524	\$ 1,027,034	\$ 941,791
Natural gas distribution**	1,568,866	1,508,845	1,456,208
Pipeline and energy services	719,291	683,807	675,199
Exploration and production	2,615,146	2,356,938	2,028,794
Construction materials and contracting	1,499,852	1,486,375	1,514,989
Construction services	124,796	122,940	116,236
Other	49,747	32,564	33,365
Less accumulated depreciation, depletion and amortization	3,361,208	3,103,323	2,872,465
Net property, plant and equipment	\$ 4,285,014	\$ 4,115,180	\$ 3,894,117

* Reflected in the Other category.

** Includes allocations of common utility property.

*** Includes assets not directly assignable to a business (i.e. cash and cash equivalents, certain accounts receivable, certain investments and other miscellaneous current and deferred assets).

Note: The results reflect a \$620.0 million (\$384.4 million after tax) noncash write-down of natural gas and oil properties in 2009.

Excluding the natural gas gathering arbitration charge of \$16.5 million (after tax) in 2010, as discussed in Note 19, earnings from electric, natural gas distribution and pipeline and energy services are substantially all from regulated operations. Earnings from exploration and production, construction materials and contracting, construction services and other are all from nonregulated operations.

Capital expenditures for 2011, 2010 and 2009 include noncash transactions, including the issuance of the Company's equity securities, in connection with acquisitions. The net noncash transactions were \$24.0 million in 2011, \$17.5 million in 2010 and immaterial in 2009.

Note 16 - Employee Benefit Plans

Pension and other postretirement benefit plans

The Company has noncontributory defined benefit pension plans and other postretirement benefit plans for certain eligible employees. The Company uses a measurement date of December 31 for all of its pension and postretirement benefit plans.

Defined pension plan benefits to all nonunion and certain union employees hired after December 31, 2005, were discontinued. Employees that would have been eligible for defined pension plan benefits are eligible to receive additional defined contribution plan benefits. Effective January 1, 2010, all benefit and service accruals for nonunion and certain union plans were frozen. Effective June 30, 2011, all benefit and service accruals for an additional union plan were frozen. These employees will be eligible to receive additional defined contribution plan benefits.

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Effective January 1, 2010, eligibility to receive retiree medical benefits was modified at certain of the Company's businesses. Employees who attain age 55 with 10 years of continuous service by December 31, 2010, will be provided the current retiree medical insurance benefits or can elect the new benefit, if desired, regardless of when they retire. All other current employees must meet the new eligibility criteria of age 60 and 10 years of continuous service at the time they retire. These employees will be eligible for a specified company funded Retiree Reimbursement Account. Employees hired after December 31, 2009, will not be eligible for retiree medical benefits.

Changes in benefit obligation and plan assets for the years ended December 31, 2011 and 2010, and amounts recognized in the Consolidated Balance Sheets at December 31, 2011 and 2010, were as follows:

	Pension Benefits		Other Postretirement Benefits	
	2011	2010	2011	2010
	(In thousands)			
Change in benefit obligation:				
Benefit obligation at beginning of year	\$ 388,589	\$ 352,915	\$ 91,286	\$ 88,151
Service cost	2,252	2,889	1,443	1,357
Interest cost	19,500	19,761	4,700	4,817
Plan participants' contributions	—	—	2,644	2,500
Amendments	—	353	—	121
Actuarial loss	62,722	34,687	17,940	3,228
Curtailement gain	(13,939)	—	—	—
Benefits paid	(23,506)	(22,016)	(7,324)	(8,888)
Benefit obligation at end of year	435,618	388,589	110,689	91,286
Change in net plan assets:				
Fair value of plan assets at beginning of year	277,598	255,327	70,610	66,984
Actual gain (loss) on plan assets	(4,718)	37,853	(872)	7,278
Employer contribution	28,626	6,434	3,027	2,736
Plan participants' contributions	—	—	2,644	2,500
Benefits paid	(23,506)	(22,016)	(7,324)	(8,888)
Fair value of net plan assets at end of year	278,000	277,598	68,085	70,610
Funded status - under	\$ (157,618)	\$ (110,991)	\$ (42,604)	\$ (20,676)
Amounts recognized in the Consolidated Balance Sheets at December 31:				
Other accrued liabilities (current)	\$ —	\$ —	\$ (550)	\$ (525)
Other liabilities (noncurrent)	(157,618)	(110,991)	(42,054)	(20,151)
Net amount recognized	\$ (157,618)	\$ (110,991)	\$ (42,604)	\$ (20,676)
Amounts recognized in accumulated other comprehensive (income) loss consist of:				
Actuarial loss	\$ 189,494	\$ 117,840	\$ 43,861	\$ 20,751
Prior service cost (credit)	(632)	631	(8,615)	(11,292)
Transition obligation	—	—	2,128	4,253
Total	\$ 188,862	\$ 118,471	\$ 37,374	\$ 13,712

Employer contributions and benefits paid in the preceding table include only those amounts contributed directly to, or paid directly from, plan assets. Accumulated other comprehensive (income) loss in the above table includes amounts related to regulated operations, which are recorded as regulatory assets (liabilities) and are expected to be reflected in rates charged to customers over time.

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Unrecognized pension actuarial losses in excess of 10 percent of the greater of the projected benefit obligation or the market-related value of assets are amortized on a straight-line basis over the expected average remaining service lives of active participants for non-frozen plans and over the average life expectancy of plan participants for frozen plans. The market-related value of assets is determined using a five-year average of assets. Unrecognized postretirement net transition obligation is amortized over a 20-year period ending 2012.

The accumulated benefit obligation for the defined benefit pension plans reflected previously was \$435.6 million and \$374.5 million at December 31, 2011 and 2010, respectively.

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for the pension plans with accumulated benefit obligations in excess of plan assets at December 31 were as follows:

	2011	2010
	(In thousands)	
Projected benefit obligation	\$ 435,618	\$ 388,589
Accumulated benefit obligation	\$ 435,618	\$ 374,538
Fair value of plan assets	\$ 278,000	\$ 277,598

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Components of net periodic benefit cost for the Company's pension and other postretirement benefit plans for the years ended December 31 were as follows:

	Pension Benefits			Other Postretirement Benefits		
	2011	2010	2009	2011	2010	2009
(In thousands)						
Components of net periodic benefit cost:						
Service cost	\$ 2,252	\$ 2,889	\$ 8,127	\$ 1,443	\$ 1,357	\$ 2,206
Interest cost	19,500	19,761	21,919	4,700	4,817	5,465
Expected return on assets	(22,809)	(23,643)	(25,062)	(5,051)	(5,512)	(5,471)
Amortization of prior service cost (credit)	45	152	605	(2,677)	(3,303)	(2,756)
Recognized net actuarial loss	4,656	2,622	2,096	753	845	970
Curtailement loss	1,218	—	1,650	—	—	—
Amortization of net transition obligation	—	—	—	2,125	2,125	2,125
Net periodic benefit cost, including amount capitalized	4,862	1,781	9,335	1,293	329	2,539
Less amount capitalized	1,196	791	1,127	(50)	(92)	330
Net periodic benefit cost	3,666	990	8,208	1,343	421	2,209
Other changes in plan assets and benefit obligations recognized in accumulated other comprehensive (income) loss:						
Net (gain) loss	76,310	20,477	(29,000)	23,863	1,462	(2,314)
Prior service cost (credit)	—	353	—	—	121	(9,321)
Amortization of actuarial loss	(4,656)	(2,622)	(2,096)	(753)	(845)	(970)
Amortization of prior service (cost) credit	(1,263)	(152)	(2,255)	2,677	3,303	2,756
Amortization of net transition obligation	—	—	—	(2,125)	(2,125)	(2,125)
Total recognized in accumulated other comprehensive (income) loss	70,391	18,056	(33,351)	23,662	1,916	(11,974)
Total recognized in net periodic benefit cost and accumulated other comprehensive (income) loss	\$ 74,057	\$ 19,046	\$ (25,143)	\$ 25,005	\$ 2,337	\$ (9,765)

The estimated net loss and prior service credit for the defined benefit pension plans that will be amortized from accumulated other comprehensive loss into net periodic benefit cost in 2012 are \$7.6 million and \$85,000, respectively. The estimated net loss, prior service credit and transition obligation for the other postretirement benefit plans that will be amortized from accumulated other comprehensive loss into net periodic benefit cost in 2012 are \$1.9 million, \$1.1 million and \$2.1 million, respectively.

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Weighted average assumptions used to determine benefit obligations at December 31 were as follows:

	Pension Benefits		Other Postretirement Benefits	
	2011	2010	2011	2010
Discount rate	4.16%	5.26%	4.13%	5.21%
Expected return on plan assets	7.75%	7.75%	6.75%	6.75%
Rate of compensation increase	N/A	4.00%	4.00%	4.00%

Weighted average assumptions used to determine net periodic benefit cost for the years ended December 31 were as follows:

	Pension Benefits		Other Postretirement Benefits	
	2011	2010	2011	2010
Discount rate	5.26%	5.75%	5.21%	5.75%
Expected return on plan assets	7.75%	8.25%	6.75%	7.25%
Rate of compensation increase	4.00% / N/A *	4.00%	4.00%	4.00%

* Effective June 30, 2011, all benefit and service accruals for a union plan were frozen. Compensation increases had previously been frozen for all other plans.

The expected rate of return on pension plan assets is based on the targeted asset allocation range of 60 percent to 70 percent equity securities and 30 percent to 40 percent fixed-income securities and the expected rate of return from these asset categories. The expected rate of return on other postretirement plan assets is based on the targeted asset allocation range of 65 percent to 75 percent equity securities and 25 percent to 35 percent fixed-income securities and the expected rate of return from these asset categories. The expected return on plan assets for other postretirement benefits reflects insurance-related investment costs.

Health care rate assumptions for the Company's other postretirement benefit plans as of December 31 were as follows:

	2011		2010	
Health care trend rate assumed for next year	6.0%	8.0%	6.0%	8.5%
Health care cost trend rate - ultimate	5.0%	6.0%	5.0%	6.0%
Year in which ultimate trend rate achieved	1999	2017	1999	2017

The Company's other postretirement benefit plans include health care and life insurance benefits for certain employees. The plans underlying these benefits may require contributions by the employee depending on such employee's age and years of service at retirement or the date of retirement. The accounting for the health care plans anticipates future cost-sharing changes that are consistent with the Company's expressed intent to generally increase retiree contributions each year by the excess of the expected health care cost trend rate over 6 percent.

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Assumed health care cost trend rates may have a significant effect on the amounts reported for the health care plans. A one percentage point change in the assumed health care cost trend rates would have had the following effects at December 31, 2011:

	1 Percentage Point Increase	1 Percentage Point Decrease
(In thousands)		
Effect on total of service and interest cost components	\$ 171	\$ (822)
Effect on postretirement benefit obligation	\$ 3,175	\$ (10,946)

The Company's pension assets are managed by 12 outside investment managers. The Company's other postretirement assets are managed by one outside investment manager. The Company's investment policy with respect to pension and other postretirement assets is to make investments solely in the interest of the participants and beneficiaries of the plans and for the exclusive purpose of providing benefits accrued and defraying the reasonable expenses of administration. The Company strives to maintain investment diversification to assist in minimizing the risk of large losses. The Company's policy guidelines allow for investment of funds in cash equivalents, fixed-income securities and equity securities. The guidelines prohibit investment in commodities and futures contracts, equity private placement, employer securities, leveraged or derivative securities, options, direct real estate investments, precious metals, venture capital and limited partnerships. The guidelines also prohibit short selling and margin transactions. The Company's practice is to periodically review and rebalance asset categories based on its targeted asset allocation percentage policy.

The fair value of the Company's pension net plan assets by class is as follows:

	Fair Value Measurements at December 31, 2011, Using			Balance at December 31, 2011
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
(In thousands)				
Assets:				
Cash equivalents	\$ 2,256	\$ 17,534	\$ —	\$ 19,790
Equity securities:				
U.S. companies	99,315	—	—	99,315
International companies	35,353	—	—	35,353
Collective and mutual funds (a)	43,214	15,541	—	58,755
Corporate bonds	—	23,579	289	23,868
Mortgage-backed securities	—	22,987	—	22,987
Municipal bonds	—	9,290	—	9,290
U.S. Treasury securities	—	8,642	—	8,642
Total assets measured at fair value	\$ 180,138	\$ 97,573	\$ 289	\$ 278,000

(a) Collective and mutual funds invest approximately 26 percent in common stock of mid-cap U.S. companies, 26 percent in common stock of large-cap U.S. companies, 13 percent in U.S. Treasuries, 6 percent in corporate bonds and 29 percent in other investments.

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Fair Value Measurements at
December 31, 2010, Using

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2010
(In thousands)				
Assets:				
Cash equivalents	\$ 4,663	\$ 8,699	\$ —	\$ 13,362
Equity securities:				
U.S. companies	102,944	—	—	102,944
International companies	40,017	—	—	40,017
Collective and mutual funds (a)	45,410	17,701	—	63,111
Collateral held on loaned securities (b)	—	23,148	694	23,842
Corporate bonds	—	23,014	—	23,014
Mortgage-backed securities	—	19,478	—	19,478
U.S. Treasury securities	—	9,239	—	9,239
Municipal bonds	—	8,285	—	8,285
Total assets measured at fair value	193,034	109,564	694	303,292
Liabilities:				
Obligation for collateral received	25,694	—	—	25,694
Net assets measured at fair value	\$ 167,340	\$ 109,564	\$ 694	\$ 277,598

- (a) Collective and mutual funds invest approximately 28 percent in common stock of mid-cap U.S. companies, 24 percent in common stock of large-cap U.S. companies, 13 percent in U.S. Treasuries, 11 percent in mortgage-backed securities, 10 percent in corporate bonds, 8 percent in foreign fixed-income investments and 6 percent in common stock of small-cap U.S. companies.
- (b) This class includes collateral held at December 31, 2010, as a result of participation in a securities lending program. Cash collateral is invested by the trustee primarily in repurchase agreements, mutual funds and commercial paper.

The following table sets forth a summary of changes in the fair value of the pension plan's Level 3 assets for the year ended December 31, 2011:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Corporate Bonds	Collateral Held on Loaned Securities	Total
(In thousands)			
Balance at beginning of year	\$ —	\$ 694	\$ 694
Total realized/unrealized losses	(2)	(259)	(261)
Purchases, issuances and settlements (net)	291	(435)	(144)
Balance at end of year	\$ 289	\$ —	\$ 289

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The following table sets forth a summary of changes in the fair value of the pension plan's Level 3 assets for the year ended December 31, 2010:

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)	
Collateral Held on Loaned Securities	
(In thousands)	
Balance at beginning of year	\$ 937
Total realized/unrealized losses	189
Purchases, issuances and settlements (net)	(432)
Balance at end of year	\$ 694

The fair value of the Company's other postretirement benefit plan assets by asset class is as follows:

Fair Value Measurements at December 31, 2011, Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2011
(In thousands)				
Assets:				
Cash equivalents	\$ 59	\$ 1,836	\$ —	\$ 1,895
Equity securities:				
U.S. companies	2,098	—	—	2,098
International companies	262	—	—	262
Insurance investment contract*	—	63,830	—	63,830
Total assets measured at fair value	\$ 2,419	\$ 65,666	\$ —	\$ 68,085

* The insurance investment contract invests approximately 49 percent in common stock of large-cap U.S. companies, 15 percent in U.S. Treasuries, 12 percent in mortgage-backed securities, 11 percent in corporate bonds, and 13 percent in other investments.

Fair Value Measurements at December 31, 2010, Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2010
(In thousands)				
Assets:				
Cash equivalents	\$ 53	\$ 1,274	\$ —	\$ 1,327
Equity securities:				
U.S. companies	2,791	—	—	2,791
International companies	353	—	—	353
Insurance investment contract*	—	66,139	—	66,139
Total assets measured at fair value	\$ 3,197	\$ 67,413	\$ —	\$ 70,610

* The insurance investment contract invests approximately 53 percent in common stock of large-cap U.S. companies, 21 percent in corporate bonds, 12 percent in mortgage-backed securities and 14 percent in other investments.

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The Company expects to contribute approximately \$20.2 million to its defined benefit pension plans and approximately \$4.0 million to its postretirement benefit plans in 2012.

The following benefit payments, which reflect future service, as appropriate, and expected Medicare Part D subsidies are as follows:

Years	Pension Benefits	Other Postretirement Benefits	Expected Medicare Part D Subsidy
(In thousands)			
2012	\$ 22,426	\$ 6,892	\$ 618
2013	22,811	7,062	656
2014	23,082	7,188	694
2015	23,508	7,298	730
2016	23,893	7,371	766
2017 - 2021	127,895	37,682	4,322

Nonqualified benefit plans

In addition to the qualified plan defined pension benefits reflected in the table at the beginning of this note, the Company also has unfunded, nonqualified benefit plans for executive officers and certain key management employees that generally provide for defined benefit payments at age 65 following the employee's retirement or to their beneficiaries upon death for a 15-year period. The Company had investments of \$76.9 million and \$77.5 million at December 31, 2011 and 2010, respectively, consisting of equity securities of \$38.4 million and \$39.5 million, respectively, life insurance carried on plan participants (payable upon the employee's death) of \$31.8 million and \$30.7 million, respectively, and other investments of \$6.7 million and \$7.3 million, respectively. The Company anticipates using these investments to satisfy obligations under these plans. The Company's net periodic benefit cost for these plans was \$8.1 million, \$7.8 million and \$8.8 million in 2011, 2010 and 2009, respectively. The total projected benefit obligation for these plans was \$113.8 million and \$99.4 million at December 31, 2011 and 2010, respectively. The accumulated benefit obligation for these plans was \$105.7 million and \$93.2 million at December 31, 2011 and 2010, respectively. A weighted average discount rate of 4.00 percent and 5.11 percent at December 31, 2011 and 2010, respectively, and a rate of compensation increase of 4.00 percent at December 31, 2011 and 2010, were used to determine benefit obligations. A discount rate of 5.11 percent and 5.75 percent at December 31, 2011 and 2010, respectively, and a rate of compensation increase of 4.00 percent at December 31, 2011 and 2010, were used to determine net periodic benefit cost.

The amount of benefit payments for the unfunded, nonqualified benefit plans are expected to aggregate \$5.2 million in 2012; \$5.9 million in 2013; \$5.8 million in 2014; \$6.9 million in 2015; \$6.8 million in 2016 and \$38.3 million for the years 2017 through 2021.

Defined contribution plans

The Company sponsors various defined contribution plans for eligible employees. Costs incurred by the Company under these plans were \$27.1 million in 2011, \$24.4 million in 2010 and \$20.5 million in 2009.

Multiemployer plans

The Company contributes to a number of multiemployer defined benefit pension plans under the terms of collective-bargaining agreements that cover its union-represented employees. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers

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- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers
- If the Company chooses to stop participating in some of its multiemployer plans, the Company may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability

The Company's participation in these plans for the annual period ended December 31, 2011, is outlined in the following table. Unless otherwise noted, the most recent Pension Protection Act zone status available in 2011 and 2010 is for the plan's year-end at December 31, 2010, and December 31, 2009, respectively. The zone status is based on information that the Company received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are between 65 percent and 80 percent funded, and plans in the green zone are at least 80 percent funded. From 2009 to 2010 and 2010 to 2011, contributions by the Company to multiemployer defined benefit pension plans decreased as a result of a reduction in covered employees corresponding to a decline in overall business.

Pension Fund	EIN/Pension Plan Number	Pension Protection Act Zone Status		FIP/RP Status Pending/Implemented	Contributions			Surcharge Imposed	Expiration Date of Collective Bargaining Agreement
		2011	2010		2011	2010	2009		
(In thousands)									
Edison Pension Plan	93-6061681-001	Green	Green	No\$	2,700	1,933	1,627	No	12/31/2012
IBEW Local 38 Pension Plan	34-6574238-001	Yellow as of 4/30/2011	Yellow as of 4/30/2010	Implemented	1,469	1,277	594	No	*
IBEW Local No. 82 Pension Plan	31-6127268-001	Red as of 6/30/2011	Red as of 6/30/2010	Implemented	1,331	1,569	1,197	No	*
IBEW Local 648 Pension Plan	31-6134845-001	Red as of 2/28/2011	Red as of 2/28/2010	Implemented	722	781	641	No	8/31/2012
Laborers Pension Trust Fund for Northern California	94-6277608-001	Yellow as of 5/31/2011	Yellow as of 5/31/2010	Implemented	628	413	325	No	6/30/2012*
Local Union 212 IBEW Pension Trust Fund	31-6127280-001	Yellow as of 4/30/2011	Yellow as of 4/30/2010	Implemented	776	679	469	No	*
National Electrical Benefit Fund	53-0181657-001	Green	Green	No	4,841	4,826	5,462	No	5/31/2014*
OE Pension Trust Fund	94-6090764-001	Yellow	Yellow	Implemented	1,367	1,035	1,061	No	3/31/2016*
Other funds					15,324	17,763	21,103		
Total contributions					\$ 29,158	\$ 30,276	\$ 32,479		

* Plan includes collective bargaining agreements which have expired. The agreements contain provisions that automatically renew the existing contracts in lieu of a new negotiated collective bargaining agreement.

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The Company was listed in the plans' Forms 5500 as providing more than 5 percent of the total contributions for the following plans and plan years:

Year Contributions to Plan Exceeded More Than 5
Percent of Total Contributions (as of December 31 of the
Plan's Year-End)

Pension Fund	Year-End
Defined Benefit Pension Plan of AGC-IUOE Local 701 Pension Trust	2010 and 2009
Fund	2010 and 2009
Edison Pension Plan	2010 and 2009
Eighth District Electrical Pension Fund	2010 and 2009
IBEW Local 38 Pension Plan	2010 and 2009
IBEW Local No. 82 Pension Plan	2010 and 2009
IBEW Local Union No. 357 Pension Plan A	2010 and 2009
IBEW Local 648 Pension Plan	2010 and 2009
Idaho Plumbers and Pipefitters Pension Plan	2010 and 2009
Laborers AGC Pension Trust of Montana	2009
Local Union No. 124 IBEW Pension Trust Fund	2010 and 2009
Local Union 212 IBEW Pension Trust Fund	2010 and 2009
Minnesota Teamsters Constr Division Pension Fund	2010 and 2009
Operating Engineers Local 800 and Wyoming Contractors Association, Inc. Pension Plan for Wyoming	2010 and 2009
Plumbers & Pipefitters Local 162 Pension Fund	2010 and 2009
Southwest Marine Pension Trust	2009

The Company also contributes to a number of multiemployer other postretirement plans under the terms of collective-bargaining agreements that cover its union-represented employees. These plans provide benefits such as health insurance, disability insurance and life insurance to retired union employees. Many of the multiemployer other postretirement plans are combined with active multiemployer health and welfare plans. The Company's total contributions to its multiemployer other postretirement plans, which also includes contributions to active multiemployer health and welfare plans, were \$24.0 million, \$24.7 million and \$28.9 million for the years ended December 31, 2011, 2010 and 2009, respectively.

Amounts contributed in 2011, 2010 and 2009 to defined contribution multiemployer plans were \$15.3 million, \$15.4 million and \$16.4 million, respectively.

Note 17 - Jointly Owned Facilities

The consolidated financial statements include the Company's 22.7 percent, 25.0 percent and 25.0 percent ownership interests in the assets, liabilities and expenses of the Big Stone Station, Coyote Station and Wygen III, respectively. Each owner of the stations is responsible for financing its investment in the jointly owned facilities.

The Company's share of the stations operating expenses was reflected in the appropriate categories of operating expenses in the Consolidated Statements of Income.

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At December 31, the Company's share of the cost of utility plant in service and related accumulated depreciation for the stations was as follows:

	2011	2010
(In thousands)		
Big Stone Station:		
Utility plant in service	\$ 63,715	\$ 60,404
Less accumulated depreciation	42,475	41,136
	\$ 21,240	\$ 19,268
Coyote Station:		
Utility plant in service	\$ 131,719	\$ 131,395
Less accumulated depreciation	86,788	84,710
	\$ 44,931	\$ 46,685
Wygen III:*		
Utility plant in service	\$ 63,300	\$ 63,215
Less accumulated depreciation	2,106	838
	\$ 61,194	\$ 62,377

* Began commercial operation on April 1, 2010.

Note 18 - Regulatory Matters and Revenues Subject to Refund

On May 20, 2011, Montana-Dakota filed an application with the NDPSC requesting advance determination of prudence that the addition of the air quality control system at the Big Stone Station, to comply with the Clean Air Act and the South Dakota Regional Haze Implementation Plan, is reasonable and prudent. A hearing was held on November 29, 2011. On January 9, 2012, Montana-Dakota, Otter Tail Corporation and the NDPSC Advocacy Staff filed a settlement agreement with the NDPSC that reflects agreement that the air quality control system is prudent. An order is expected in the first quarter of 2012.

On July 7, 2011, Montana-Dakota filed for an advance determination of prudence with the NDPSC on the construction of an 88-MW simple cycle natural gas turbine and associated facilities projected to be in service in 2015. The turbine will be located on company-owned property that is adjacent to Montana-Dakota's Heskett Generating Station near Mandan, North Dakota, and would be used to meet the capacity requirements of Montana-Dakota's integrated electric system service customers. The capacity will be a partial replacement for third party contract capacity expiring in 2015. Project cost is estimated to be \$85.6 million. A hearing was held on January 10, 2012. On January 18, 2012, Montana-Dakota and the NDPSC Advocacy Staff filed a settlement agreement with the NDPSC that reflects agreement that the natural gas turbine is prudent and a certificate of need should be approved. An order is expected in the first quarter of 2012.

On November 15, 2011, the MNPUC issued a Notice of Investigation; Opportunity to Respond and Comment to investigate whether Great Plains' rates are unreasonable and whether Great Plains should be ordered to initiate a general rate proceeding as Great Plains has earned in excess of its authorized return and the excess earnings are likely to continue into the future. On December 2, 2011, Great Plains responded to the MNPUC's Notice. On January 30, 2012, the MNPUC issued an order that found that the reasonableness of Great Plains' rates had not been resolved to the MNPUC's satisfaction and requires Great Plains to initiate a rate proceeding within 180 days of the order. In addition, the MNPUC encouraged Great Plains, the Minnesota Department of Commerce and any other interested parties to enter into settlement discussions with the requirement that the interested parties file a report on the status of settlement discussions within 60 days of the order.

Note 19 - Commitments and Contingencies

The Company is party to claims and lawsuits arising out of its business and that of its consolidated subsidiaries. The Company accrues a liability for those contingencies when the incurrence of a loss is probable and the amount can be reasonably estimated. If a

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range of amounts can be reasonably estimated and no amount within the range is a better estimate than any other amount, then the minimum of the range is accrued. The Company does not accrue liabilities when the likelihood that the liability has been incurred is probable but the amount cannot be reasonably estimated or when the liability is believed to be only reasonably possible or remote. For contingencies where an unfavorable outcome is probable or reasonably possible and which are material, the Company discloses the nature of the contingency and, where feasible, an estimate of the possible loss. The Company had accrued liabilities of \$64.1 million and \$45.3 million for contingencies related to litigation and environmental matters as of December 31, 2011 and 2010, respectively, which includes amounts that may have been accrued for matters discussed in Litigation and Environmental matters within this note.

Litigation

Guarantee Obligation Under a Construction Contract Centennial guaranteed CEM's obligations under a construction contract with LPP for a 550-MW combined-cycle electric generating facility near Hobbs, New Mexico. Centennial Resources sold CEM in July 2007 to Bicent, which provided a \$10 million bank letter of credit to Centennial in support of the guarantee obligation, which letter of credit expired in November 2010. In February 2009, Centennial received a Notice and Demand from LPP under the guarantee agreement alleging that CEM did not meet certain of its obligations under the construction contract and demanding that Centennial indemnify LPP against all losses, damages, claims, costs, charges and expenses arising from CEM's alleged failures. In December 2009, LPP submitted a demand for arbitration of its dispute with CEM to the American Arbitration Association. The demand sought compensatory damages of \$149.7 million. In June 2010, CEM and Bicent made a demand on Centennial Resources for indemnification under the 2007 purchase and sale agreement for indemnifiable losses, including defense fees and costs arising from LPP's arbitration demand and related to Centennial Resources' ownership of CEM prior to its sale to Bicent. Centennial and Centennial Resources filed a complaint with the Supreme Court of the State of New York in November 2010, against Bicent seeking damages for breach of contract and other relief including specific performance of the 2007 purchase and sale agreement allowing for Centennial Resources' participation in the arbitration proceeding and replacement of the letter of credit. On September 19, 2011, Bicent filed a counterclaim seeking damages against Centennial Resources related to Bicent's costs of defending the LPP arbitration demand which Bicent alleged were in excess of \$14.0 million. The arbitration hearing on LPP's claim was held in the third quarter of 2011, and an arbitration award was issued January 13, 2012, awarding LPP \$22.0 million. Centennial subsequently received a demand from LPP for payment of the arbitration award plus interest and attorneys' fees. An accrual related to the guarantee as a result of the arbitration award is recorded in discontinued operations on the Consolidated Statement of Income. The Company intends to vigorously defend against the claims of LPP and Bicent.

Construction Materials In 2009, LTM provided pavement work under a subcontract for reconstruction at the Klamath Falls Airport owned by the City of Klamath Falls, Oregon. In October 2010, the City of Klamath Falls filed a complaint in Oregon Circuit Court against the project's general contractor alleging the work performed by LTM is defective. The general contractor tendered the defense and indemnity of the claim to LTM and its insurance carrier. On January 18, 2011, the general contractor served a third party complaint against LTM seeking indemnity and contribution for damages imposed on the general contractor. LTM filed a fourth-party complaint seeking contribution and indemnity for damages imposed on LTM against the project engineer firm which prepared the specifications for the airport runway. LTM's insurance carrier accepted defense of the complaint against the general contractor and the third party complaint against LTM subject to reservation of its rights under the applicable insurance policy. Damages, including removal and replacement of the paved runway, were estimated by the plaintiff in its complaint as \$6.0 million to \$11.0 million. The Oregon Circuit Court granted a motion by LTM to dismiss certain of the plaintiff's claims relating to approximately \$5.0 million of damages but allowed the plaintiff to amend its complaint. In its amended complaint, the plaintiff asserted new claims with estimated damages of \$21.9 million plus interest and

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attorney fees. LTM and its insurers have been engaged in mediation and settlement discussions with the other parties to resolve this matter.

Until the fall of 2011 when it discontinued active mining operations at the pit, JTL operated the Target Range Gravel Pit in Missoula County, Montana under a 1975 reclamation contract pursuant to the Montana Opencut Mining Act. In September 2009, the Montana DEQ sent a letter asserting JTL was in violation of the Montana Opencut Mining Act by conducting mining operations outside a permitted area. JTL filed a complaint in Montana First Judicial District Court in June 2010, seeking a declaratory order that the reclamation contract is a valid permit under the Montana Opencut Mining Act. The Montana DEQ filed an answer and counterclaim to the complaint in August 2011, alleging JTL was in violation of the Montana Opencut Mining Act and requesting imposition of penalties of not more than \$3.7 million plus not more than \$5,000 per day from the date of the counterclaim. The Company believes the operation of the Target Range Gravel Pit was conducted under a valid permit; however, the imposition of civil penalties is reasonably possible. The Company intends to resolve this matter through settlement or continuation of the Montana First Judicial District Court litigation.

Natural Gas Gathering Operations In January 2010, SourceGas filed an application with the Colorado State District Court to compel Bitter Creek to arbitrate a dispute regarding operating pressures under a natural gas gathering contract on one of Bitter Creek's pipeline gathering systems in Montana. Bitter Creek resisted the application and sought a declaratory order interpreting the gathering contract. In May 2010, the Colorado State District Court granted the application and ordered Bitter Creek into arbitration. An arbitration hearing was held in August 2010. In October 2010, Bitter Creek was notified that the arbitration panel issued an award in favor of SourceGas for approximately \$26.6 million. As a result, Bitter Creek, which is included in the pipeline and energy services segment, recorded a \$26.6 million charge (\$16.5 million after tax) in the third quarter of 2010, which is recorded in operation and maintenance expense on the Consolidated Statement of Income. On April 20, 2011, the Colorado State District Court entered an order denying a motion by Bitter Creek to vacate the arbitration award and granting a motion by SourceGas to confirm the arbitration award as a court judgment. The Colorado State District Court also awarded \$293,000 to SourceGas for legal fees and expenses. Bitter Creek filed an appeal from the Colorado State District Court's order and judgment to the Colorado Court of Appeals on April 28, 2011.

In a related matter, Omimex filed a complaint against Bitter Creek in Montana Seventeenth Judicial District Court in July 2010 alleging Bitter Creek breached a separate gathering contract with Omimex as a result of the increased operating pressures demanded by SourceGas on the same natural gas gathering system. In December 2011, Omimex filed an amended complaint alleging Bitter Creek breached obligations to operate its gathering system as a common carrier under United States and Montana law. Bitter Creek removed the action to the United States District Court for the District of Montana. Expert reports submitted by Omimex contend its damages as a result of the increased operating pressures are \$18.8 million to \$22.6 million. The Company believes the claims asserted by Omimex are without merit and intends to vigorously defend against the claims.

The Company also is involved in other legal actions in the ordinary course of its business. After taking into account liabilities accrued for the foregoing matters, management believes that the outcomes with respect to the above and other legal proceedings will not have a material effect upon the Company's financial position, results of operations or cash flows.

Environmental matters

Portland Harbor Site In December 2000, Knife River - Northwest was named by the EPA as a PRP in connection with the cleanup of a riverbed site adjacent to a commercial property site acquired by Knife River - Northwest from Georgia-Pacific West, Inc. in 1999. The riverbed site is part of the Portland, Oregon, Harbor Superfund Site. The EPA wants

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responsible parties to share in the cleanup of sediment contamination in the Willamette River. To date, costs of the overall remedial investigation and feasibility study of the harbor site are being recorded, and initially paid, through an administrative consent order by the LWG, a group of several entities, which does not include Knife River - Northwest or Georgia-Pacific West, Inc. Investigative costs are indicated to be in excess of \$70 million. It is not possible to estimate the cost of a corrective action plan until the remedial investigation and feasibility study have been completed, the EPA has decided on a strategy and a ROD has been published. Corrective action will be taken after the development of a proposed plan and ROD on the harbor site is issued. Knife River - Northwest also received notice in January 2008 that the Portland Harbor Natural Resource Trustee Council intends to perform an injury assessment to natural resources resulting from the release of hazardous substances at the Harbor Superfund Site. The Portland Harbor Natural Resource Trustee Council indicates the injury determination is appropriate to facilitate early settlement of damages and restoration for natural resource injuries. It is not possible to estimate the costs of natural resource damages until an assessment is completed and allocations are undertaken.

Based upon a review of the Portland Harbor sediment contamination evaluation by the Oregon DEQ and other information available, Knife River - Northwest does not believe it is a Responsible Party. In addition, Knife River - Northwest has notified Georgia-Pacific West, Inc., that it intends to seek indemnity for liabilities incurred in relation to the above matters pursuant to the terms of their sale agreement. Knife River - Northwest has entered into an agreement tolling the statute of limitations in connection with the LWG's potential claim for contribution to the costs of the remedial investigation and feasibility study. By letter in March 2009, LWG stated its intent to file suit against Knife River - Northwest and others to recover LWG's investigation costs to the extent Knife River - Northwest cannot demonstrate its non-liability for the contamination or is unwilling to participate in an alternative dispute resolution process that has been established to address the matter. At this time, Knife River - Northwest has agreed to participate in the alternative dispute resolution process.

The Company believes it is not probable that it will incur any material environmental remediation costs or damages in relation to the above referenced administrative action.

Manufactured Gas Plant Sites There are three claims against Cascade for cleanup of environmental contamination at manufactured gas plant sites operated by Cascade's predecessors.

The first claim is for contamination at a site in Eugene, Oregon which was received in 1995. There are PRPs in addition to Cascade that may be liable for cleanup of the contamination. Some of these PRPs have shared in the investigation costs. It is expected that these and other PRPs will share in the cleanup costs. Several alternatives for cleanup have been identified, with preliminary cost estimates ranging from approximately \$500,000 to \$11.0 million. The Oregon DEQ is preparing a staff report which will recommend a cleanup alternative for the site. It is not known at this time what share of the cleanup costs will actually be borne by Cascade; however, Cascade anticipates its proportional share could be approximately 50 percent. Cascade has reserved \$1.2 million for remediation of this site.

The second claim is for contamination at a site in Bremerton, Washington which was received in 1997. A preliminary investigation has found soil and groundwater at the site contain contaminants requiring further investigation and cleanup. EPA conducted a Targeted Brownfields Assessment of the site and released a report summarizing the results of that assessment in August 2009. The assessment confirms that contaminants have affected soil and groundwater at the site, as well as sediments in the adjacent Port Washington Narrows. Alternative remediation options have been identified with preliminary cost estimates ranging from \$340,000 to \$6.4 million. Data developed through the assessment and previous investigations indicates the contamination likely derived from multiple, different sources and multiple current and former owners of properties and businesses in the vicinity of the

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site may be responsible for the contamination. In April 2010, the Washington Department of Ecology issued notice it considered Cascade a PRP for hazardous substances at the site. In September 2011, the EPA issued notice of a proposal to add the site to the National Priorities List. Cascade has met with the EPA to discuss a possible settlement agreement and administrative order for performance of a remedial investigation and feasibility study of the site with the intent of reaching consensus on the scope and schedule for the remedial investigation and feasibility study. Cascade has reserved \$6.4 million for remediation of this site. In April 2010, Cascade filed a petition with the WUTC for authority to defer the costs, which are included in other noncurrent assets, incurred in relation to the environmental remediation of this site until the next general rate case. The WUTC approved the petition in September 2010, subject to conditions set forth in the order.

The third claim is for contamination at a site in Bellingham, Washington. Cascade received notice from a party in May 2008 that Cascade may be a PRP, along with other parties, for contamination from a manufactured gas plant owned by Cascade and its predecessor from about 1946 to 1962. The notice indicates that current estimates to complete investigation and cleanup of the site exceed \$8.0 million. Other PRPs have reached an agreed order and work plan with the Washington Department of Ecology for completion of a remedial investigation and feasibility study for the site. A report documenting the initial phase of the remedial investigation was completed in June 2011. There is currently not enough information available to estimate the potential liability to Cascade associated with this claim although Cascade believes its proportional share of any liability will be relatively small in comparison to other PRPs. The plant manufactured gas from coal between approximately 1890 and 1946. In 1946, shortly after Cascade's predecessor acquired the plant, it converted the plant to a propane-air gas facility. There are no documented wastes or by-products resulting from the mixing or distribution of propane-air gas.

Cascade has received notices from certain of its insurance carriers that they will participate in defense of Cascade for these contamination claims subject to full and complete reservations of rights and defenses to insurance coverage. To the extent these claims are not covered by insurance, Cascade will seek recovery through the OPUC and WUTC of remediation costs in its natural gas rates charged to customers.

Operating leases

The Company leases certain equipment, facilities and land under operating lease agreements. The amounts of annual minimum lease payments due under these leases as of December 31, 2011, were \$27.8 million in 2012, \$24.3 million in 2013, \$16.4 million in 2014, \$8.6 million in 2015, \$5.8 million in 2016 and \$35.9 million thereafter. Rent expense was \$40.7 million, \$38.7 million and \$43.4 million for the years ended December 31, 2011, 2010 and 2009, respectively.

Purchase commitments

The Company has entered into various commitments, largely natural gas and coal supply, purchased power, natural gas transportation and storage, service and construction materials supply contracts. These commitments range from one to 49 years. The commitments under these contracts as of December 31, 2011, were \$478.0 million in 2012, \$215.9 million in 2013, \$135.8 million in 2014, \$71.1 million in 2015, \$36.7 million in 2016 and \$287.0 million thereafter. These commitments were not reflected in the Company's consolidated financial statements. Amounts purchased under various commitments for the years ended December 31, 2011, 2010 and 2009, were \$626.3 million, \$611.7 million and \$723.1 million.

Guarantees

Centennial guaranteed CEM's obligations under a construction contract. For further information, see Litigation in this note.

In connection with the sale of the Brazilian Transmission Lines, as discussed in Note 4, Centennial has agreed to guarantee payment of any indemnity obligations of certain of the Company's indirect wholly owned subsidiaries who are the sellers in three purchase and

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sale agreements for periods ranging up to 10 years from the date of sale. The guarantees were required by the buyers as a condition to the sale of the Brazilian Transmission Lines.

WBI Holdings has guaranteed certain of Fidelity's natural gas and oil swap and collar agreement obligations. There is no fixed maximum amount guaranteed in relation to the natural gas and oil swap and collar agreements as the amount of the obligation is dependent upon natural gas and oil commodity prices. The amount of hedging activity entered into by the subsidiary is limited by corporate policy. The guarantees of the natural gas and oil swap and collar agreements at December 31, 2011, expire in the years ranging from 2012 to 2013; however, Fidelity continues to enter into additional hedging activities and, as a result, WBI Holdings from time to time may issue additional guarantees on these hedging obligations. The amount outstanding by Fidelity was \$4.3 million and was reflected on the Consolidated Balance Sheet at December 31, 2011. In the event Fidelity defaults under its obligations, WBI Holdings would be required to make payments under its guarantees.

Certain subsidiaries of the Company have outstanding guarantees to third parties that guarantee the performance of other subsidiaries of the Company. These guarantees are related to construction contracts, natural gas transportation and sales agreements, gathering contracts and certain other guarantees. At December 31, 2011, the fixed maximum amounts guaranteed under these agreements aggregated \$85.6 million. The amounts of scheduled expiration of the maximum amounts guaranteed under these agreements aggregate \$42.0 million in 2012; \$34.4 million in 2013; \$1.3 million in 2014; \$100,000 in 2015; \$100,000 in 2016; \$800,000 in 2018; \$300,000 in 2019; \$2.6 million, which is subject to expiration on a specified number of days after the receipt of written notice; and \$4.0 million, which has no scheduled maturity date. The amount outstanding by subsidiaries of the Company under the above guarantees was \$500,000 and was reflected on the Consolidated Balance Sheet at December 31, 2011. In the event of default under these guarantee obligations, the subsidiary issuing the guarantee for that particular obligation would be required to make payments under its guarantee.

Certain subsidiaries have outstanding letters of credit to third parties related to insurance policies, natural gas transportation agreements and other agreements, some of which are guaranteed by other subsidiaries of the Company. At December 31, 2011, the fixed maximum amounts guaranteed under these letters of credit, aggregated \$27.4 million. In 2012 and 2013, \$24.1 million and \$3.3 million, respectively, of letters of credit are scheduled to expire. There were no amounts outstanding under the above letters of credit at December 31, 2011.

WBI Holdings has an outstanding guarantee to Williston Basin. This guarantee is related to a natural gas transportation and storage agreement that guarantees the performance of Prairielands. At December 31, 2011, the fixed maximum amount guaranteed under this agreement was \$5.0 million and is scheduled to expire in 2014. In the event of Prairielands' default in its payment obligations, WBI Holdings would be required to make payment under its guarantee. The amount outstanding by Prairielands under the above guarantee was \$1.2 million. The amount outstanding under this guarantee was not reflected on the Consolidated Balance Sheet at December 31, 2011, because this intercompany transaction was eliminated in consolidation.

In addition, Centennial, Knife River and MDU Construction Services have issued guarantees to third parties related to the routine purchase of maintenance items, materials and lease obligations for which no fixed maximum amounts have been specified. These guarantees have no scheduled maturity date. In the event a subsidiary of the Company defaults under these obligations, Centennial, Knife River and MDU Construction Services would be required to make payments under these guarantees. Any amounts outstanding by subsidiaries of the Company for these guarantees were reflected on the Consolidated Balance Sheet at December 31, 2011.

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In the normal course of business, Centennial has surety bonds related to construction contracts and reclamation obligations of its subsidiaries, as well as an arbitration award. In the event a subsidiary of Centennial does not fulfill a bonded obligation, Centennial would be responsible to the surety bond company for completion of the bonded contract or obligation. A large portion of the surety bonds is expected to expire within the next 12 months; however, Centennial will likely continue to enter into surety bonds for its subsidiaries in the future. As of December 31, 2011, approximately \$463 million of surety bonds were outstanding, which were not reflected on the Consolidated Balance Sheet.

Definitions

Abbreviation or Acronym

AFUDC	Allowance for funds used during construction
Alusa	Tecnica de Engenharia Electrica - Alusa
Army Corps	U.S. Army Corps of Engineers
ASC	FASB Accounting Standards Codification
BART	Best available retrofit technology
Bbl	Barrel
Bcf	Billion cubic feet
Bcfe	Billion cubic feet equivalent
Bicent	Bicent Power LLC
Big Stone Station	450-MW coal-fired electric generating facility near Big Stone City, South Dakota (22.7 percent ownership)
Bitter Creek	Bitter Creek Pipelines, LLC, an indirect wholly owned subsidiary of WBI Holdings
Black Hills Power	Black Hills Power and Light Company
Brazilian Transmission Lines	Company's equity method investment in the company owning ECTE, ENTE and ERTE (ownership interests in ENTE and ERTE were sold in the fourth quarter of 2010 and a portion of the ownership interest in ECTE was sold in the fourth quarter of 2011 and 2010)
Btu	British thermal unit
Cascade	Cascade Natural Gas Corporation, an indirect wholly owned subsidiary of MDU Energy Capital
CELESC	Centrais Elétricas de Santa Catarina S.A.
CEM	Colorado Energy Management, LLC, a former direct wholly owned subsidiary of Centennial Resources (sold in the third quarter of 2007)
CEMIG	Companhia Energética de Minas Gerais
Centennial	Centennial Energy Holdings, Inc., a direct wholly owned subsidiary of the Company
Centennial Capital	Centennial Holdings Capital LLC, a direct wholly owned subsidiary of Centennial
Centennial Resources	Centennial Energy Resources LLC, a direct wholly owned subsidiary of Centennial
CERCLA	Comprehensive Environmental Response, Compensation and Liability Act
Clean Air Act	Federal Clean Air Act
Clean Water Act	Federal Clean Water Act
Colorado State District Court	Colorado Thirteenth Judicial District Court, Yuma County
Company	MDU Resources Group, Inc.
dk	Decatherm
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act
ECTE	Empresa Catarinense de Transmissão de Energia S.A. (7.51 percent ownership interest at December 31, 2011, 2.5 and 14.99 percent ownership interest was sold in 2011 and 2010, respectively)

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EIN	Employer Identification Number
ENTE	Empresa Norte de Transmissão de Energia S.A. (entire 13.3 percent ownership interest sold in the fourth quarter of 2010)
EPA	U.S. Environmental Protection Agency
ERISA	Employee Retirement Income Security Act of 1974
ERTE	Empresa Regional de Transmissão de Energia S.A. (entire 13.3 percent ownership interest sold in the fourth quarter of 2010)
ESA	Endangered Species Act
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
Fidelity	Fidelity Exploration & Production Company, a direct wholly owned subsidiary of WBI Holdings
FIP	Funding improvement plan
GAAP	Accounting principles generally accepted in the United States of America
GHG	Greenhouse gas
Great Plains	Great Plains Natural Gas Co., a public utility division of the Company
IBEW	International Brotherhood of Electrical Workers
ICWU	International Chemical Workers Union
IFRS	International Financial Reporting Standards
Intermountain	Intermountain Gas Company, an indirect wholly owned subsidiary of MDU Energy Capital
IPUC	Idaho Public Utilities Commission
Item 8	Financial Statements and Supplementary Data
JTL	JTL Group, Inc., an indirect wholly owned subsidiary of Knife River
Knife River	Knife River Corporation, a direct wholly owned subsidiary of Centennial
Knife River - Northwest	Knife River Corporation - Northwest, an indirect wholly owned subsidiary of Knife River (previously Morse Bros., Inc., name changed effective January 1, 2010)
K-Plan	Company's 401(k) Retirement Plan
kW	Kilowatts
kWh	Kilowatt-hour
LPP	Lea Power Partners, LLC, a former indirect wholly owned subsidiary of Centennial Resources (member interests were sold in October 2006)
LTM	LTM, Inc., an indirect wholly owned subsidiary of Knife River
LWG	Lower Willamette Group
MAPP	Mid-Continent Area Power Pool
MBbls	Thousands of barrels
Mcf	Thousand cubic feet
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
Mdk	Thousand decatherms
MDU Brasil	MDU Brasil Ltda., an indirect wholly owned subsidiary of Centennial Resources
MDU Construction Services	MDU Construction Services Group, Inc., a direct wholly owned subsidiary of Centennial
MDU Energy Capital	MDU Energy Capital, LLC, a direct wholly owned subsidiary of the Company
Midwest ISO	Midwest Independent Transmission System Operator, Inc.
MMBtu	Million Btu

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MMcf	Million cubic feet
MMcfe	Million cubic feet equivalent - natural gas equivalents are determined using the ratio of six Mcf of natural gas to one Bbl of oil
MMdk	Million decatherms
MNPUC	Minnesota Public Utilities Commission
Montana-Dakota	Montana-Dakota Utilities Co., a public utility division of the Company
Montana DEQ	Montana Department of Environmental Quality
Montana First Judicial District Court	Montana First Judicial District Court, Lewis and Clark County
Montana Seventeenth Judicial District Court	Montana Seventeenth Judicial District Court, Phillips County
MPPAA	Multiemployer Pension Plan Amendments Act of 1980
MTPSC	Montana Public Service Commission
MW	Megawatt
NDPSC	North Dakota Public Service Commission
NEPA	National Environmental Policy Act
Oil	Includes crude oil, condensate and natural gas liquids
Omimex	Omimex Canada, Ltd.
OPUC	Oregon Public Utility Commission
Oregon Circuit Court	Circuit Court of the State of Oregon for the County of Klamath
Oregon DEQ	Oregon State Department of Environmental Quality
PCBs	Polychlorinated biphenyls
PDP	Proved developed producing
PRC	Planning resource credit - a MW of demand equivalent assigned to generators by the Midwest ISO for meeting system reliability requirements
Prairielands	Prairielands Energy Marketing, Inc., an indirect wholly owned subsidiary of WBI Holdings
Proxy Statement	Company's 2012 Proxy Statement
PRP	Potentially Responsible Party
PUD	Proved undeveloped
RCRA	Resource Conservation and Recovery Act
ROD	Record of Decision
RP	Rehabilitation plan
Ryder Scott	Ryder Scott Company, L.P.
SDPUC	South Dakota Public Utilities Commission
SEC	U.S. Securities and Exchange Commission
SEC Defined Prices	The average price of natural gas and oil during the applicable 12-month period, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions
Securities Act	Securities Act of 1933, as amended
Securities Act Industry Guide 7	Description of Property by Issuers Engaged or to be Engaged in Significant Mining Operations
Sheridan System	A separate electric system owned by Montana-Dakota
SMCRA	Surface Mining Control and Reclamation Act
SourceGas	SourceGas Distribution LLC
Stock Purchase Plan	Company's Dividend Reinvestment and Direct Stock Purchase Plan
UA	United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada

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WBI Holdings	WBI Holdings, Inc., a direct wholly owned subsidiary of Centennial
Westmoreland	Westmoreland Coal Company
Williston Basin	Williston Basin Interstate Pipeline Company, an indirect wholly owned subsidiary of WBI Holdings
WUTC	Washington Utilities and Transportation Commission
Wygen III	100-MW coal-fired electric generating facility near Gillette, Wyoming (25 percent ownership)
WYPSC	Wyoming Public Service Commission

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	1,383,332,822	974,054,986
4	Property Under Capital Leases		
5	Plant Purchased or Sold		
6	Completed Construction not Classified		
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	1,383,332,822	974,054,986
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	54,926,027	29,200,954
12	Acquisition Adjustments	10,484,908	10,387,642
13	Total Utility Plant (8 thru 12)	1,448,743,757	1,013,643,582
14	Accum Prov for Depr, Amort, & Depl	699,092,675	472,027,749
15	Net Utility Plant (13 less 14)	749,651,082	541,615,833
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	662,584,290	455,960,813
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	26,536,670	6,147,613
22	Total In Service (18 thru 21)	689,120,960	462,108,426
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj	9,971,715	9,919,323
33	Total Accum Prov (equals 14) (22,26,30,31,32)	699,092,675	472,027,749

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
333,770,851				75,506,985	3
					4
					5
					6
					7
333,770,851				75,506,985	8
					9
					10
2,626,272				23,098,801	11
97,266					12
336,494,389				98,605,786	13
184,959,952				42,104,974	14
151,534,437				56,500,812	15
					16
					17
183,602,702				23,020,775	18
					19
					20
1,304,858				19,084,199	21
184,907,560				42,104,974	22
					23
					24
					25
					26
					27
					28
					29
					30
					31
52,392					32
184,959,952				42,104,974	33

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant	6,476,793	2,557,162
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	6,476,793	2,557,162
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	1,018,687	
9	(311) Structures and Improvements	54,058,296	573,752
10	(312) Boiler Plant Equipment	202,808,140	5,017,350
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units	72,686,416	299,428
13	(315) Accessory Electric Equipment	18,619,964	488,863
14	(316) Misc. Power Plant Equipment	16,829,851	96,505
15	(317) Asset Retirement Costs for Steam Production	282,876	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	366,304,230	6,475,898
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights	66,533	
38	(341) Structures and Improvements	801,163	
39	(342) Fuel Holders, Products, and Accessories	2,556,839	58
40	(343) Prime Movers		
41	(344) Generators	148,842,472	-10,693
42	(345) Accessory Electric Equipment	1,094,056	-160
43	(346) Misc. Power Plant Equipment	138,216	5,619
44	(347) Asset Retirement Costs for Other Production	3,142,677	
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	156,641,956	-5,176
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	522,946,186	6,470,722

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	3,411,553	958,357
49	(352) Structures and Improvements	1,789	
50	(353) Station Equipment	77,607,459	8,458,211
51	(354) Towers and Fixtures	4,992,886	
52	(355) Poles and Fixtures	33,127,866	4,093,346
53	(356) Overhead Conductors and Devices	27,563,642	1,686,695
54	(357) Underground Conduit	1,942,210	
55	(358) Underground Conductors and Devices	3,101,857	
56	(359) Roads and Trails		
57	(359.1) Asset Retirement Costs for Transmission Plant	797	
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	151,750,059	15,196,609
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	2,594,871	
61	(361) Structures and Improvements		
62	(362) Station Equipment	38,040,190	3,224,470
63	(363) Storage Battery Equipment		
64	(364) Poles, Towers, and Fixtures	28,529,810	919,171
65	(365) Overhead Conductors and Devices	19,611,434	335,733
66	(366) Underground Conduit	218,154	
67	(367) Underground Conductors and Devices	55,388,365	3,722,220
68	(368) Line Transformers	46,757,091	3,237,748
69	(369) Services	22,469,318	1,850,255
70	(370) Meters	15,298,406	970,587
71	(371) Installations on Customer Premises	2,223,417	170,696
72	(372) Leased Property on Customer Premises		
73	(373) Street Lighting and Signal Systems	6,342,216	202,895
74	(374) Asset Retirement Costs for Distribution Plant	39,748	
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	237,513,020	14,633,775
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT		
77	(380) Land and Land Rights		
78	(381) Structures and Improvements		
79	(382) Computer Hardware		
80	(383) Computer Software		
81	(384) Communication Equipment		
82	(385) Miscellaneous Regional Transmission and Market Operation Plant		
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper		
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)		
85	6. GENERAL PLANT		
86	(389) Land and Land Rights	8,137	
87	(390) Structures and Improvements	522,219	
88	(391) Office Furniture and Equipment	666,935	373,228
89	(392) Transportation Equipment	5,655,033	700,555
90	(393) Stores Equipment	105,440	
91	(394) Tools, Shop and Garage Equipment	2,053,512	432,479
92	(395) Laboratory Equipment	1,203,177	13,781
93	(396) Power Operated Equipment	8,887,153	703,446
94	(397) Communication Equipment	2,731,254	257,012
95	(398) Miscellaneous Equipment	30,800	
96	SUBTOTAL (Enter Total of lines 86 thru 95)	21,863,660	2,480,501
97	(399) Other Tangible Property		
98	(399.1) Asset Retirement Costs for General Plant		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	21,863,660	2,480,501
100	TOTAL (Accounts 101 and 106)	940,549,718	41,338,769
101	(102) Electric Plant Purchased (See Instr. 8)		
102	(Less) (102) Electric Plant Sold (See Instr. 8)		
103	(103) Experimental Plant Unclassified		
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	940,549,718	41,338,769

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				47
		29,528	4,399,438	48
			1,789	49
130,954		63,884	85,998,600	50
			4,992,886	51
258,159			36,963,053	52
149,248			29,101,089	53
			1,942,210	54
			3,101,857	55
				56
			797	57
538,361		93,412	166,501,719	58
				59
			2,594,871	60
				61
102,805		-190,824	40,971,031	62
				63
188,675		-529	29,259,777	64
91,667			19,855,500	65
			218,154	66
523,961		529	58,587,153	67
190,171		-3,442	49,801,226	68
199,744			24,119,829	69
382,351			15,886,642	70
74,407		-70	2,319,636	71
				72
131,149		70	6,414,032	73
			39,748	74
1,884,930		-194,266	250,067,599	75
				76
				77
				78
				79
				80
				81
				82
				83
				84
				85
			8,137	86
			522,219	87
74,225		21,236	987,174	88
261,817		117,205	6,210,976	89
90,666			14,774	90
210,398		-1,776	2,273,817	91
711,643			505,315	92
538,073		19,522	9,072,048	93
828,273		129,536	2,289,529	94
			30,800	95
2,715,095		285,723	21,914,789	96
				97
				98
2,715,095		285,723	21,914,789	99
7,986,440		152,939	974,054,986	100
				101
				102
				103
7,986,440		152,939	974,054,986	104

Name of Respondent MDU Resources Group, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107)				
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)				
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	Construct 30 miles of 230KV line west of Ellendale, ND	3,788,321		
2	Construct 230KV substation west of Ellendale, ND	3,371,835		
3	Construct 115KV substation north of Heskett Station in Mandan, ND	1,927,186		
4	Construct distribution substation in northeast Bismarck, ND	1,718,212		
5	Upgrade control system at Big Stone Station in Milbank, SD	1,592,083		
6	Install scrubber fluegas cooling system at Lewis & Clark Station in Sidney, MT	1,264,976		
7	Install air quality control system for Big Stone Station in Milbank, SD	1,261,752		
8	Purchase bed ash/limestone equipment at Heskett Station in Mandan, ND	1,106,859		
9	Construct switching station northeast of Bismarck, ND	1,027,474		
10	Replace Unit 2 sootblowers at Heskett Station in Mandan, ND	857,504		
11	Rewind generator stator at Coyote Station in Beulah, ND	811,546		
12	Construct 2.5 miles of 115KV line in northeast Bismarck, ND	623,752		
13	Replace structures for NE Bismarck Tap-TL152-1	561,079		
14	Upgrade substation near Ellendale, ND	521,797		
15	Upgrade material handling system for coal and limestone	451,239		
16	Replace 480V circuit breakers at Heskett Station in Mandan, ND	267,226		
17	Extend 3Phase underground primary cable near Sheridan, WY	235,986		
18	Purchase line truck for use near Glen Ullin, ND	225,174		
19	Purchase line truck for use near Glendive, MT	220,269		
20	Rebuild 17.5 miles of Glendive-Baker TL 010-1	212,930		
21	Install 69-12.47KV substation near Stanley, ND	199,354		
22	Replace substation east of Bowman, ND	197,859		
23	Overlay boiler floor at Big Stone Station in Milbank, SD	196,256		
24	Develop ash disposal site at Heskett Station in Mandan, ND	191,766		
25	Install bank erosion improvements at Lewis & Clark Station in Sidney, MT	184,836		
26	Purchase T1 communication electronic equipment	132,855		
27	Extend primary in Williston, ND	131,127		
28	Construct 17 miles of 46KV line west of Ellendale, ND	130,421		
29	Add underground services to sub division in Stanley, ND	123,876		
30	Relay modifications at Heskett 230KV substation	112,947		
31	Install tap substation east of Grenora, ND	108,495		
32				
33	Minor projects less than \$100,000:			
34	Steam Production	1,576,158		
35	Other Production	79,450		
36	Transmission	800,706		
37	Distribution	2,449,104		
38	General	538,544		
39				
40				
41				
42				
43	TOTAL	29,200,954		

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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	438,372,147	438,372,147		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	27,258,418	27,258,418		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	769,956	769,956		
7	Other Clearing Accounts	-168,451	-168,451		
8	Other Accounts (Specify, details in footnote):	-938,189	-938,189		
9		161,474	161,474		
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	27,083,208	27,083,208		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	7,986,440	7,986,440		
13	Cost of Removal	2,108,698	2,108,698		
14	Salvage (Credit)	882,199	882,199		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	9,212,939	9,212,939		
16	Other Debit or Cr. Items (Describe, details in footnote):	-281,603	-281,603		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	455,960,813	455,960,813		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production	211,397,026	211,397,026		
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production	27,150,258	27,150,258		
25	Transmission	84,617,667	84,617,667		
26	Distribution	123,851,306	123,851,306		
27	Regional Transmission and Market Operation				
28	General	8,944,556	8,944,556		
29	TOTAL (Enter Total of lines 20 thru 28)	455,960,813	455,960,813		

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FOOTNOTE DATA			

Schedule Page: 219 Line No.: 7 Column: c

Amortization of deferred depreciation, AFUDC and interest on portion of Coyote Station previously excluded from Montana rate base after in service date.

Schedule Page: 219 Line No.: 8 Column: c

Common plant depreciation expense charged to electric operations.

Schedule Page: 219 Line No.: 9 Column: c

SFAS 143 ARO depreciation expense reclassified to a regulatory asset.

Schedule Page: 219 Line No.: 16 Column: c

Reserve reclassifications between utility segments and net gains and losses on depreciable plant.

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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
- (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
- (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1				
2	CENTENNIAL ENERGY HOLDINGS, INC. (100% OWNED)	12/88		
3	Capital investment in subsidiaries			933,285,324
4				
5	Equity in undistributed subsidiary earnings since acquisition			977,503,201
6				
7				
8	MDU ENERGY CAPITAL, LLC (100% OWNED)	07/07		
9	Capital investment in subsidiaries			397,916,713
10				
11	Equity in undistributed subsidiary earnings since acquisition			27,427,887
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
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41				
42	Total Cost of Account 123.1 \$	2,402,890,906	TOTAL	2,336,133,125

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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
		924,134,038		3
				4
144,684,823	77,854,000	1,044,338,971		5
				6
				7
				8
		397,916,713		9
				10
27,078,894	18,000,000	36,501,184		11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
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				29
				30
				31
				32
				33
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				41
171,763,717	95,854,000	2,402,890,906		42

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MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	5,029,867	5,921,977	Electric & Gas
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	6,573,166	10,943,541	Electric & Gas
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	2,364,748	2,407,457	Electric
8	Transmission Plant (Estimated)	330,418	366,334	Electric
9	Distribution Plant (Estimated)	1,001,131	1,030,455	Electric & Gas
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)	-130,338	-136,672	Electric & Gas
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	10,139,125	14,611,115	
13	Merchandise (Account 155)	876,220	915,028	
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)	-639		
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	16,044,573	21,448,120	

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 227 Line No.: 11 Column: b

Allowance for inventory shrinkage - materials and supplies.

Schedule Page: 227 Line No.: 11 Column: c

Allowance for inventory shrinkage - materials and supplies.

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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Allowances (Accounts 158.1 and 158.2)

- Report below the particulars (details) called for concerning allowances.
- Report all acquisitions of allowances at cost.
- Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
- Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
- Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2012	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	35,639.00		11,607.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	8,379.00			
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	27,260.00		11,607.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year	167.00		168.00	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	167.00			
40	Balance-End of Year			168.00	
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)	167.00	1,383		
45	Gains	167.00	1,383		
46	Losses				

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfers of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2013		2014		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
11,607.00		11,607.00		301,782.00		372,242.00		1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
						8,379.00		18
								19
								20
								21
								22
								23
								24
								25
								26
								27
11,607.00		11,607.00		301,782.00		363,863.00		28
								29
								30
								31
								32
								33
								34
								35
								36
168.00		168.00		6,651.00		7,322.00		36
				505.00		505.00		37
								38
				168.00		335.00		39
168.00		168.00		6,988.00		7,492.00		40
								41
								42
								43
				168.00	157	335.00	1,540	44
				168.00	157	335.00	1,540	45
								46

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21	Electric Generation Development	9,111,456	6,932,407	407	3,218,323	4,353,009
22	Costs: ND Public Service					
23	Commission authorization granted					
24	6/25/10 due to cancellation of					
25	construction; North Dakota					
26	electric amortization over					
27	36 months					
28						
29	Electric Generation Development	1,718,605	1,718,605	407	85,931	1,632,674
30	Costs: ND Public Service					
31	Commission authorization granted					
32	6/8/11 due to cancellation of					
33	construction; North Dakota					
34	electric amortization over					
35	120 months					
36						
37	Electric Generation Development	3,664,197	3,664,197		696,423	2,967,774
38	Costs: MT Public Service					
39	Commission authorization granted					
40	8/2/11 due to cancellation of					
41	construction; Montana electric					
42	amortization over 180 months					
43						
44						
45						
46						
47						
48						
49	TOTAL	14,494,258	5,389,734		4,000,677	8,953,457

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 230 Line No.: 37 Column: d

426.5	\$	595,495
407		100,928

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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OTHER REGULATORY ASSETS (Account 182.3)

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	Deferred Postretirement Implementation Costs;	179,952		G-926	54,531	125,421
2	Montana gas amortization over 240 months					
3	beginning 11/94 and South Dakota gas					
4	amortization over 216 months beginning 1/95					
5						
6	Unamortized AFUDC on portion of Coyote I Station	771,489		E-403	132,255	639,234
7	that had been disallowed in rate base by Montana;					
8	amortization of 12/83 balance over 388 months end-					
9	ing 10/16 and amortization of 6/84 balance over					
10	356 months					
11						
12	Deferred depreciation on portion of Coyote I	179,599		E-403	30,788	148,811
13	Station that had been disallowed in rate base by					
14	Montana; amortization of 12/83 balance over 388					
15	months ending 10/16 and amortization of 6/84					
16	balance over 356 months					
17						
18	Interest deferred on portion of Coyote I Station	31,548		E-403	5,408	26,140
19	AFUDC which had been disallowed in rate base by					
20	Montana; amortization of interest on 6/84 AFUDC					
21	balance over 356 months					
22						
23	Unamortized Regulatory Commission Expense:	568,047	360,935		265,344	663,638
24	South Dakota gas amortization over 36 months					
25	beginning 9/05; Montana electric amortization					
26	over 36 months beginning 9/11; Wyoming					
27	electric amortization over 36 months beginning					
28	5/09; North Dakota electric amortization over					
29	36 months beginning 7/11					
30						
31	Accumulated costs associated with gas rate	213,600	1,497	182.3	202,820	12,277
32	case in Montana					
33						
34	Asset Retirement Obligation at Coyote I Station,	2,732,744	511,675	230	370	3,244,049
35	Big Stone Station, Heskett Station, Lewis & Clark					
36	Station, electric transmission and distribution,					
37	gas distribution, common general plant,					
38	Diamond Willow Wind Farm, Cedar Hills Wind					
39	Farm, Glen Ullin Station 6 and Billings Landfill					
40	Gas Production Facility					
41						
42						
43						
44	TOTAL	86,467,267	48,218,080		11,539,662	123,145,685

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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OTHER REGULATORY ASSETS (Account 182.3)

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	Margin Sharing Adjustment - North Dakota	4,084,441	2,834,005		4,558,802	2,359,644
2	Electric					
3						
4	Deferred Fuel and Purchased Power Costs -					
5	North Dakota - Electric	194,024	396,424			590,448
6	Wyoming - Electric	(255,654)	1,247,161			991,507
7	Montana - Electric	815,675			452,544	363,131
8						
9	Deferred Pension	62,284,069	30,212,050			92,496,119
10						
11	Manufactured Gas Plant Site - Bismarck, ND	907,773		G-928	363,120	544,653
12	amortization over 120 months ending 12/17					
13						
14	Regulatory Matters -Deferred Tax Related	4,567,113	984,550		114,282	5,437,381
15						
16	Deferred Other Postretirement	2,980,295	11,659,789			14,640,084
17						
18	Electric Generation Development Costs	6,212,552	9,994	182.2	5,359,398	863,148
19						
20						
21						
22						
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27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	TOTAL	86,467,267	48,218,080		11,539,662	123,145,685

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 23 Column: d

E-928 \$ 245,062
G-928 20,282

Schedule Page: 232.1 Line No.: 1 Column: d

142 \$2,217,843
E-400 1,572,641
182.3 768,318

Schedule Page: 232.1 Line No.: 5 Column: c

E-555 (Deferral) \$ 669,644
E-419 133
E-431 (104)
E-555 (Amortization) (273,249)

Schedule Page: 232.1 Line No.: 6 Column: c

E-555 (Deferral) \$ 873,131
E-555 (Amortization) 382,362
E-431 (8,332)

Schedule Page: 232.1 Line No.: 7 Column: d

E-447 (Deferral) \$ 487,467
E-431 7,954
E-555 (Deferral) (173,361)
E-555 (Amortization) (774,604)

Schedule Page: 232.1 Line No.: 14 Column: d

283 \$ 71,059
282 43,223

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Natural gas minimum bill	5,342,863		253	5,342,863	
2	obligation					
3						
4	Deferred capital stock expense	17,650	622,050		442,453	197,247
5						
6	Conservation Programs	-266,785	4,300,045		3,709,965	323,295
7						
8	Advance to FutureSource Capital	773,931	6,465	131	21,911	758,485
9	Corp. for Land					
10						
11	Goodwill - Great Plains Natural	4,812,244				4,812,244
12	Gas Co.					
13						
14	Subsidiary Post-Retirement	14,306,510	8,448,087			22,754,597
15	Trust Assets					
16						
17	Deferred property taxes on	23,852		G-408	23,852	
18	natural gas in storage					
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	25,010,265				28,845,868

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 233 Line No.: 4 Column: d

165	\$ 424,781
181	17,650
131	22

Schedule Page: 233 Line No.: 6 Column: d

142	\$2,027,346
143	1,438,293
E-908	209,458
232	22,792
451	8,042
E-909	1,270
419	1,019
E-930	916
488	822
421	7

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Pension Expense	10,709,289	13,448,345
3	Management Incentive	1,020,368	960,777
4	Customer Advances	993,504	1,243,598
5	Restricted Stock Bonus Plan	1,024,949	1,202,114
6	WAPA Fiber Demand Revenue	349,200	320,252
7	Other	29,408	279,186
8	TOTAL Electric (Enter Total of lines 2 thru 7)	14,126,718	17,454,272
9	Gas		
10	Pension Expense	12,745,563	16,134,645
11	Customer Advances	1,681,428	1,889,116
12	Restricted Stock Bonus Plan	828,064	979,841
13	Management Incentive	624,957	595,895
14	Prepaid Demand Charge	-1,017,698	-1,059,325
15	Other	2,476,617	650,983
16	TOTAL Gas (Enter Total of lines 10 thru 15)	17,338,931	19,191,155
17	Other (Specify) *	27,588,034	29,067,018
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	59,053,683	65,712,445

Notes

	Balance at Beginning of Year	Balance at End of Year
*Utility		
Vacation Pay Accrual	\$ 2,644,348	\$ 2,674,668
Property Insurance	363,366	217,198
Sundry Reserves	105,167	84,229
Supplemental Income Security Plan	17,632,303	18,553,688
FAS 106 - Medical Life	1,712,321	5,906,869
BOD Compensation & Benefits	1,866,737	1,735,386
FAS 158 - Post Retirement	(945,529)	(4,979,631)
Regulatory Matters	3,561,190	4,232,287
Total Utility	\$26,939,903	\$28,424,694
*Non-Utility		
Capitalized Overheads	\$ 88,487	\$ 88,879
C.I.A.C.'s	361,047	201,429
Excess Contributions	0	144,475
Management Incentive	112,920	111,174
FAS 106 - Medical Life	294,073	712,089
FAS 158 - Post Retirement	(210,826)	(612,883)
Bad Debts	2,430	161
Total Non-Utility	\$ 648,131	\$ 642,324
*Total Other	\$27,588,034	\$29,067,018

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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CAPITAL STOCKS (Account 201 and 204)

- Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
- Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Account 201			
2	Common Stock	500,000,000	1.00	
3	Total Account 201	500,000,000		
4				
5	Account 204			
6	Preferred Stock	500,000	100.00	
7	4.50% Cumulative			105.00
8	4.70% Cumulative			102.00
9				
10	Total Account 204	500,000		
11				
12	Preferred Stock A - Cumulative	1,000,000		
13				
14	Preference Stock - Cumulative	500,000		
15				
16				
17				
18				
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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
 4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
 5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
- Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
189,332,485	189,332,485	538,921	3,625,813			2
189,332,485	189,332,485	538,921	3,625,813			3
						4
						5
						6
100,000	10,000,000					7
50,000	5,000,000					8
						9
150,000	15,000,000					10
						11
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Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 250 Line No.: 2 Column: a

See footnote number 12 on page 123.27

Schedule Page: 250 Line No.: 7 Column: d

Plus accrued dividends

Schedule Page: 250 Line No.: 8 Column: d

Plus accrued dividends

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2	Common Stock, \$1.00 par value	4,110,305
3	(Primarily stock expense related to the issuance of common stock through public offering	
4	during February 2004.)	
5		
6		
7		
8		
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21		
22	TOTAL	4,110,305

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 221		
2	Unsecured Senior Note		
3	6.33%	100,000,000	344,061
4	6.04%	100,000,000	362,431
5	6.66%	25,000,000	59,494
6	6.61%	25,000,000	59,494
7	5.98%	30,000,000	543,168
8			
9	SUBTOTAL	280,000,000	1,368,648
10			
11	Account 222 (None)		
12	Account 223 (None)		
13	Account 224		
14	5.1% Preferred Stock, Cumulative, subject to mandatory redemption	5,000,000	
15	Commercial Paper - 0.379% average for 2011		
16			
17			
18	Minot Air Force Base Note Payable	509,197	
19	SUBTOTAL	5,509,197	
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33	TOTAL	285,509,197	1,368,648

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
082406	082426	082406	082426	100,000,000	6,330,000	3
091608	091618	091608	091618	100,000,000	6,040,000	4
100109	093016	100109	093016	25,000,000	1,665,000	5
090109	093016	090109	093016	25,000,000	1,652,500	6
121503	121533	121503	121533	30,000,000	1,794,000	7
						8
				280,000,000	17,481,500	9
						10
						11
						12
						13
052361				400,000	25,500	14
					236,720	15
						16
						17
092308	113038			488,853	29,562	18
				888,853	291,782	19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
				280,888,853	17,773,282	33

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 14 Column: e

The Respondent is obligated to make annual sinking fund contributions to retire 1,000 shares of the 5.1% Series preferred stock at par ending 12/31/2014. The redemption price is \$102 plus accrued dividends.

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(Next page is 261)

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	213,026,346
2		
3		
4	Taxable Income Not Reported on Books	
5	Dividends Received from Subsidiary Companies	95,854,000
6	Customer Advances	1,307,285
7	Reserved Revenues	640,000
8	Miscellaneous	24,689
9	Deductions Recorded on Books Not Deducted for Return	
10	Book Depreciation and Amortization	40,023,251
11	Federal Income Tax Provision	9,889,254
12	Regulatory Assets Awaiting Recovery	5,712,522
13	See Footnote	8,017,663
14	Income Recorded on Books Not Included in Return	
15	Equity in Earnings of Subsidiaries	171,763,717
16	Contributions in Aid of Construction	890,912
17	Medicare Part D Subsidy	523,269
18	WAPA Fiber Demand Revenue	61,644
19	Deductions on Return Not Charged Against Book Income	
20	Dividends Received from Subsidiaries	95,854,000
21	Tax Depreciation and Amortization	94,553,360
22	Pension Expense	13,002,161
23	Contingency Reserve	4,867,994
24	401(k) Dividend Deduction	3,473,595
25	AFUDC Equity	2,056,639
26	See Footnote	4,404,028
27	Federal Tax Net Income	-16,956,309
28	Show Computation of Tax:	
29		
30	Federal Tax @ 35% of line 27	-5,934,707
31	Other Credits and Adjustments	-47,931
32	Wind Production Credit	-3,435,873
33	Plus: Rounding and Out-of-Period Adjustment	-12,892,143
34		
35	TOTAL 2011 FEDERAL INCOME TAX	-22,310,654
36		
37	Response to instruction #2 - see footnote	
38		
39		
40		
41		
42		
43		
44		

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 13 Column: b

Margin Sharing Adjustment	\$1,724,798
Depreciation Expensed through Clearing Accounts	1,155,529
Supplemental Income Security Plan	1,118,804
State Income Tax Expense	823,491
Amortization of Loss on Bond Retirements	719,510
State Income Tax Provision	587,018
Post Retirement Benefits Accrued	550,699
Capitalized Depreciation	472,874
Capitalized Interest	423,159
Disallowed Meals and Entertainment Expense - 50%	139,412
Rate Case	105,731
Capitalized Overheads	63,309
Vacation Accrual	58,840
Preferred Stock Expense	25,500
Bad Debts	6,596
Miscellaneous	42,393
Total carried to page 261, line 13	<u>\$8,017,663</u>

Schedule Page: 261 Line No.: 26 Column: b

Big Stone II Cost Recovery	\$1,389,057
F&PP Deferral	935,387
Restricted Stock Bonus Plan	594,437
Property Insurance Adjustment	367,923
Unrecovered Purchased Gas Cost	280,268
Deferred Compensation - Directors	193,830
Dividend Paid Deduction	180,002
Management Incentive	165,467
Prepaid Demand Charges	136,885
Board of Directors - Retirement Benefits	74,598
Miscellaneous	86,174
Total carried to page 261, line 26	<u>\$4,404,028</u>

Schedule Page: 261 Line No.: 37 Column: a

The Respondent files a consolidated return; however, the information above has been prepared on a separate return basis. The consolidated group elected to allocate tax liabilities in accordance with method #2 under Internal Revenue Code Section 1552 (Earnings and Profits). The 2011 federal tax provisions were:

Centennial Energy Holdings, Inc.	\$4,917,232
MDU Energy Capital, LLC.	487,386
	<u>\$5,404,618</u>

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	CORPORATE INCOME					
2	Federal	-949,135		-22,310,654	-30,205,105	1,363,126
3	State	-2,021,390		-2,393,814	-5,394,721	240,719
4	SUBTOTAL	-2,970,525		-24,704,468	-35,599,826	1,603,845
5						
6	UNEMPLOYMENT					
7	Federal	2,711		71,470	71,580	
8	Idaho	33,762		181,961	179,351	
9	Minnesota	558		45,331	45,471	
10	Montana	1,423		54,799	54,099	
11	Nevada	3,114		11,926	11,326	
12	North Dakota	2,366		93,390	91,654	
13	South Dakota	6		5,845	5,831	
14	Washington	1,039		1,582	2,378	
15	Wyoming	209		25,738	31,380	
16	SUBTOTAL	45,188		492,042	493,070	
17						
18	GROSS REVENUE					
19	Montana	147,376		588,102	642,973	
20	South Dakota			99,092	99,092	
21	Wyoming	41,764		107,044	95,286	
22	SUBTOTAL	189,140		794,238	837,351	
23						
24	USE					
25	Minnesota	107		32,203	28,124	
26	North Dakota	11,597		489,694	432,927	
27	South Dakota	21,854		61,308	82,357	
28	Wyoming	908		21,067	17,298	
29	Idaho			243	187	
30	SUBTOTAL	34,466		604,515	560,893	
31						
32	PROPERTY					
33	Minnesota	409,000		542,898	451,898	
34	Montana	2,652,889		5,624,590	5,467,540	
35	North Dakota	2,334,220		2,737,125	2,336,956	
36	North Dakota - Wahpeton	16,907		20,093	16,907	
37	South Dakota	997,367		1,092,635	998,149	
38	Wyoming	97,231		285,389	239,926	
39	SUBTOTAL	6,507,614		10,302,730	9,511,376	
40						
41	TOTAL	5,133,221		-4,816,201	-16,382,738	1,603,845

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
8,308,442		-12,586,738			-9,723,916	2
1,220,236		-1,265,099			-1,128,715	3
9,528,678		-13,851,837			-10,852,631	4
						5
						6
2,601		18,561			52,909	7
36,372		13,710			168,251	8
418		23			45,308	9
2,123		20,377			34,422	10
3,714					11,926	11
4,102		25,989			67,401	12
20		974			4,871	13
243					1,582	14
-5,433		7,754			17,984	15
44,160		87,388			404,654	16
						17
						18
92,505		232,192			355,910	19
		20,276			78,816	20
53,522		60,045			46,999	21
146,027		312,513			481,725	22
						23
						24
4,186					32,203	25
68,364					489,694	26
805					61,308	27
4,677					21,067	28
56					243	29
78,088					604,515	30
						31
						32
500,000					542,898	33
2,809,939		2,999,367			2,625,223	34
2,734,389		1,943,939			793,186	35
20,093					20,093	36
1,091,853		574,516			518,119	37
142,694		233,520			51,869	38
7,298,968		5,751,342			4,551,388	39
						40
18,303,603		-4,416,914			-399,287	41

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1						
2	FRANCHISE					
3	Delaware	36,050		180,050	180,050	
4	Wyoming	107,691		239,584	236,445	
5	Hettinger, ND	3,088		22,650	22,132	
6	SUBTOTAL	146,829		442,284	438,627	
7						
8						
9						
10	MISCELLANEOUS					
11	Federal-FICA	907,287		6,081,652	6,201,314	
12	Federal-Highway Use			3,160	3,160	
13	Montana WET Tax	27,011		112,527	112,347	
14	Montana-Electric License	20,308		83,059	82,744	
15	ND-Coal Conversion	38,627		961,875	966,188	
16	Secretaries of State			2,701	2,701	
17	(annual filing fees)					
18	Fort Peck Tribal	184,000				
19	Crow Agency Tribal	2,954		6,194	6,051	
20	Federal CNG Tax	16		21	16	
21	Montana CNG Tax	371		279	256	
22	North Dakota CNG Tax	-65		990	988	
23	South Dakota CNG Tax				6	
24	SUBTOTAL	1,180,509		7,252,458	7,375,771	
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	5,133,221		-4,816,201	-16,382,738	1,603,845

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
						2
36,050		104,249			75,801	3
110,830		149,489			90,095	4
3,606					22,650	5
150,486		253,738			188,546	6
						7
						8
						9
						10
787,625		1,868,549			4,213,103	11
		2,368			792	12
27,191		112,527				13
20,623		83,059				14
34,314		961,875				15
		1,564			1,137	16
						17
184,000						18
3,097					6,194	19
21					21	20
394					279	21
-63					990	22
-6						23
1,057,196		3,029,942			4,222,516	24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
18,303,603		-4,416,914			-399,287	41

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 3 Column: a
Idaho, Minnesota, Montana and North Dakota state income taxes.

Schedule Page: 262 Line No.: 6 Column: a
Allocated between electric and gas operations on the basis of payroll charges. The amounts charged to other include allocation of payroll taxes to various electric and gas construction, clearing or expense accounts based on a company-wide derived payroll loading factor.

Schedule Page: 262 Line No.: 18 Column: a
Allocated on a gross revenue ratio by state.

Schedule Page: 262 Line No.: 24 Column: a
Charged directly to various inventory and construction accounts.

Schedule Page: 262 Line No.: 32 Column: a
Allocated based on specific identification.

Schedule Page: 262.1 Line No.: 3 Column: a
Allocated on a corporate overhead ratio basis.

Schedule Page: 262.1 Line No.: 4 Column: a
Allocated based on specific identification.

Schedule Page: 262.1 Line No.: 5 Column: a
Allocated based on specific identification.

Schedule Page: 262.1 Line No.: 11 Column: a
Allocated between electric and gas operations on the basis of payroll charges. The amounts charged to other include allocation of payroll taxes to various electric and gas construction, clearing or expense accounts based on a company-wide derived payroll loading factor.

Schedule Page: 262.1 Line No.: 12 Column: a
Allocated on a corporate overhead ratio basis.

Schedule Page: 262.1 Line No.: 16 Column: a
Allocated on a corporate overhead ratio basis.

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(Next page is 266)

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%	39,005			420	17,627	
6	8%	3,476			420	3,457	
7	North Dakota	738,075	420	150,803	420	45,584	
8	TOTAL	780,556		150,803		66,668	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10	GAS UTILITY						
11	4%						
12	10%	10,346			420	5,011	
13	8%	6,977			420	5,786	
14	SUBTOTAL	17,323				10,797	
15							
16	COMMON UTILITY						
17	4%						
18	10%						
19	8%						
20	SUBTOTAL						
21							
22							
23							
24	TOTAL OTHER UTILITY	17,323				10,797	
25							
26							
27							
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47							
48							

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
			3
			4
21,378	20 Years		5
19			6
843,294	20 Years		7
864,691			8
			9
			10
			11
5,335	20 Years		12
1,191			13
6,526			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
6,526			24
			25
			26
			27
			28
			30
			31
			32
			33
			34
			35
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			45
			46
			47
			48

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Accrued pension expense	65,419,377		14,871,980	37,136,354	87,683,751
2						
3	Accrued and deferred benefit					
4	compensation plans	9,564,839		3,698,397	3,292,399	9,158,841
5						
6	Reserve for natural gas					
7	minimum bill obligation	5,342,863	186	5,342,863		
8						
9	Intercompany portion of					
10	Supplemental Income					
11	Security Program trust assets	7,623,914	131	324,439	3,794,704	11,094,179
12						
13	Gas affordability tracker	83,763	131	17,314	50,431	116,880
14						
15	Fiber optic capacity rights	900,000	E-454	61,644		838,356
16	contract					
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
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30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	88,934,756		24,316,637	44,273,888	108,892,007

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 269 Line No.: 1 Column: c

131 \$13,757,133
184 1,114,847

Schedule Page: 269 Line No.: 4 Column: c

242 \$ 1,154,684
131 1,408,798
146 798,431
216 189,329
E-930 85,103
G-930 62,052

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	97,073,722	35,600,739	13,438,469
3	Gas	17,254,358	15,530,122	5,602,834
4	Utility	7,755,254	3,448,674	1,349,144
5	TOTAL (Enter Total of lines 2 thru 4)	122,083,334	54,579,535	20,390,447
6	Non-Utility	934,848		
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	123,018,182	54,579,535	20,390,447
10	Classification of TOTAL			
11	Federal Income Tax	110,582,364	49,745,275	18,686,675
12	State Income Tax	12,435,818	4,834,260	1,703,772
13	Local Income Tax			

NOTES

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
		E-190	678,404		727,197	119,284,785	2
			168,372		73,939	27,087,213	3
			2,030,156		1,065,102	8,889,730	4
			2,876,932		1,866,238	155,261,728	5
149,297		283	13,633			1,070,512	6
							7
							8
149,297			2,890,565		1,866,238	156,332,240	9
							10
136,608					1,220,440	142,998,012	11
12,689			2,890,565		645,798	13,334,228	12
							13

NOTES (Continued)

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 274 Line No.: 2 Column: i

E-283	\$ 481,929
C-282	143,364
G-282	89,688
NU-282	12,216

Schedule Page: 274 Line No.: 3 Column: g

E-282	\$ 89,688
G-190	78,684

Schedule Page: 274 Line No.: 3 Column: i

G-283	\$ 55,895
C-282	16,627
NU-282	1,417

Schedule Page: 274 Line No.: 4 Column: a

Utility definition includes Common Plant and Regulatory Matters.

Schedule Page: 274 Line No.: 4 Column: b

Common Plant	\$ 9,639,189
Regulatory Matters - 254	(4,679,008)
Regulatory Matters - 182	2,795,073
Total Utility	\$ 7,755,254

Schedule Page: 274 Line No.: 4 Column: c

Common Plant	\$ 3,448,674
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Schedule Page: 274 Line No.: 4 Column: d

Common Plant	\$ 1,349,144
--------------	--------------

Schedule Page: 274 Line No.: 4 Column: g

Common Plant - E-282	\$ 143,364
Common Plant - G-282	16,627
Regulatory Matters - 254	1,826,942
Regulatory Matters - 182	43,223
	\$ 2,030,156

Schedule Page: 274 Line No.: 4 Column: i

Regulatory Matters - 254	\$ 456,650
Regulatory Matters - 182	608,452
	\$ 1,065,102

Schedule Page: 274 Line No.: 4 Column: j

Schedule Page: 274 Line No.: 4 Column: k

Common Plant	\$11,578,728
Regulatory Matters - 254	(6,049,300)
Regulatory Matters - 182	3,360,302
	\$ 8,889,730

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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Fuel & Purch. Power Deferral	397,355	497,485	178,303
4	Margin Sharing Adjustment	1,602,291		661,460
5	Rate Case	276,864	49,830	81,344
6	Regulatory Assets Awaiting			
7	Recovery	2,429,318	5,452	2,132,668
8	Unrecovered Plant Costs	2,962,219	1,777,812	1,807,243
9	TOTAL Electric (Total of lines 3 thru 8)	7,668,047	2,330,579	4,861,018
10	Gas			
11	Unrecovered Purch. Gas Costs	942,175	210,857	125,384
12	Rate Case	19,641	2	7,101
13	Def. Postretirement Benefit	69,510		20,787
14	Regulatory Assets Awaiting			
15	Recovery	356,119		139,257
16				
17	TOTAL Gas (Total of lines 11 thru 16)	1,387,445	210,859	292,529
18	Other	31,286,121	11,943,058	2,424,826
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	40,341,613	14,484,496	7,578,373
20	Classification of TOTAL			
21	Federal Income Tax	36,397,185	13,262,295	6,805,611
22	State Income Tax	3,944,428	1,222,201	772,762
23	Local Income Tax			

NOTES

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
						716,537	3
		282	35,907			904,924	4
		282	1,631			243,719	5
							6
						302,102	7
		282	61,271			2,871,517	8
			98,809			5,038,799	9
							10
						1,027,648	11
						12,542	12
						48,723	13
							14
		282	7,989			208,873	15
							16
			7,989			1,297,786	17
25,109			535,843		499,283	40,792,902	18
25,109			642,641		499,283	47,129,487	19
							20
23,005			39,999		344,593	43,181,468	21
2,104			602,642		154,690	3,948,019	22
							23

NOTES (Continued)

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 18 Column: b

UTILITY	
Bond Redemption Costs	\$ 3,711,459
FAS 158 Pension	24,166,218
Unrealized Gain/(Loss) on Supplemental Income Security Plan	1,747,919
Regulatory Matters - 182	1,772,040
Regulatory Matters - 254	(106,768)
Total Utility	<u>\$31,290,868</u>
NON-UTILITY	
Partnership Ordinary Gain/(Loss)	(\$ 4,747)
TOTAL OTHER	\$31,286,121

Schedule Page: 276 Line No.: 18 Column: c

UTILITY	
FAS 158 Pension	\$11,541,004
Unrealized Gain/(Loss) on Supplemental Income Security Plan	402,054

Schedule Page: 276 Line No.: 18 Column: d

UTILITY	
Bond Redemption Costs	\$ 274,853
Unrealized Gain/(Loss) on Supplemental Income Security Plan	2,149,973

Schedule Page: 276 Line No.: 18 Column: e

NON-UTILITY	
Partnership Ordinary Gain	\$ 25,109

Schedule Page: 276 Line No.: 18 Column: h

UTILITY	
Bond Redemption Costs - 282	\$ 57,396
FAS 158 Pension - 282	373,704
Regulatory Matters - 182	71,059
Regulatory Matters - 254	33,684

Schedule Page: 276 Line No.: 18 Column: j

UTILITY	
Regulatory Matters - 182	\$ 376,098
Regulatory Matters - 254	123,111

NON-UTILITY

Partnership Ordinary Gain - 282	\$ 74
---------------------------------	-------

Schedule Page: 276 Line No.: 18 Column: k

UTILITY	
Bond Redemption Costs	\$ 3,379,210
FAS 158 Pension	35,333,518
Unrealized Gain/(Loss) on Supplemental Income Security Plan	0
Regulatory Matters - 182	2,077,079
Regulatory Matters - 254	(17,341)
Total Utility	<u>\$40,772,466</u>

NON-UTILITY

Partnership Ordinary Gain/(Loss)	\$ 20,436
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TOTAL OTHER	\$40,792,902
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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Regulatory matters - FAS 109	8,088,640		1,215,007	3,130,142	10,003,775
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
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40						
41	TOTAL	8,088,640		1,215,007	3,130,142	10,003,775

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 278		Line No.: 1		Column: c	
190		\$635,246			
282		456,650			
283		123,111			

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	88,981,274	82,370,917
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	92,494,318	86,874,210
5	Large (or Ind.) (See Instr. 4)	25,050,929	22,392,853
6	(444) Public Street and Highway Lighting	2,235,482	2,217,534
7	(445) Other Sales to Public Authorities	2,932,204	2,719,456
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	672,362	646,191
10	TOTAL Sales to Ultimate Consumers	212,366,569	197,221,161
11	(447) Sales for Resale	377,896	348,292
12	TOTAL Sales of Electricity	212,744,465	197,569,453
13	(Less) (449.1) Provision for Rate Refunds	-1,662,945	-4,007,962
14	TOTAL Revenues Net of Prov. for Refunds	214,407,410	201,577,415
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues	153,999	106,497
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	4,565,117	4,560,183
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	1,708,570	1,135,542
22	(456.1) Revenues from Transmission of Electricity of Others	2,366,525	1,801,197
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	8,794,211	7,603,419
27	TOTAL Electric Operating Revenues	223,201,621	209,180,834

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	No.
				1
1,075,084	1,027,642	103,264	101,466	2
				3
1,257,958	1,228,941	20,490	20,042	4
459,434	444,075	315	329	5
30,687	31,817	667	662	6
47,023	44,551	857	862	7
				8
8,666	8,684	209	208	9
2,878,852	2,785,710	125,802	123,569	10
63,899	58,321			11
2,942,751	2,844,031	125,802	123,569	12
				13
2,942,751	2,844,031	125,802	123,569	14

Line 12, column (b) includes \$ -1,103,224 of unbilled revenues.
Line 12, column (d) includes -20,079 MWH relating to unbilled revenues

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 4 Column: b
Basis of classification - Commercial Customers

Schedule Page: 300 Line No.: 4 Column: c
Basis of classification - Commercial Customers

Schedule Page: 300 Line No.: 5 Column: b
Basis of classification - Industrial Customers

Schedule Page: 300 Line No.: 5 Column: c
Basis of classification - Industrial Customers

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential-440					
2	Montana					
3	10-Residential Service	179,959	14,938,090	19,201	9,372	0.0830
4	20-Small General Service	4,557	337,648	298	15,292	0.0741
5	52-Outdoor Lighting Service	639	71,331	868	736	0.1116
6	North Dakota					
7	10-Residential Service	674,187	53,557,308	66,236	10,179	0.0794
8	13-Optional Residential Thermal En	21	959			0.0457
9	16-Optional Time-of-Day Service	233	15,182	12	19,417	0.0652
10	20-Small General Service	5,511	568,702	691	7,975	0.1032
11	25-Irrigation Power Service	1	133	1	1,000	0.1330
12	30-Large General Service	4,744	393,254	71	66,817	0.0829
13	32-General Space Heating Service	1,678	97,598	21	79,905	0.0582
14	52-Outdoor Lighting Service	1,038	92,454	1,170	887	0.0891
15	95-Occassional Power Purchase Non	51	2,898	4	12,750	0.0568
16	South Dakota					
17	10-Residential Service	68,170	6,390,470	6,688	10,193	0.0937
18	20-Small General Service	424	40,276	33	12,848	0.0950
19	24-Private Lighting Service	189	14,661	277	682	0.0776
20	53-Special Residential Dual Fuel	5,116	265,042	274	18,672	0.0518
21	54-General Dual Fuel Space Heati	78	3,817	4	19,500	0.0489
22	Wyoming					
23	10-Residential Service	128,111	12,329,133	12,799	10,009	0.0962
24	11-Special Residential Controlle	8,937	380,058	696	12,841	0.0425
25	20-Small General Service	1,058	124,712	213	4,967	0.1179
26	22-Special General Controlled Se	8	358	1	8,000	0.0448
27	24-Outdoor Lighting Service	486	20,579	685	709	0.0423
28	Unbilled-net	-10,112	-663,389			0.0656
29	Adjust for Duplicate Customers			-6,979		
30	Subtotal Residential	1,075,084	88,981,274	103,264	10,411	0.0828
31						
32	Small Commercial-442					
33	Montana					
34	20-Small General Service	106,212	7,970,484	5,000	21,242	0.0750
35	25-Irrigation Power Service	1,934	120,436	85	22,753	0.0623
36	30-Large General Service	8	303			0.0379
37	32-General Space Heating Service	11	486			0.0442
38	52-Outdoor Lighting Service	1,752	196,435	935	1,874	0.1121
39	North Dakota					
40	20-Small General Service	99,655	8,900,656	8,370	11,906	0.0893
41	TOTAL Billed	0	0	0	0	0.0000
42	Total Unbilled Rev.(See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	0	0	0	0	0.0000

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	25-Irrigation Power Service	724	45,652	38	19,053	0.0631
2	26-Optional Time-of-Day Small Ge	184	12,056	5	36,800	0.0655
3	30-General Service	308,564	24,403,254	2,423	127,348	0.0791
4	31-Optional Time-of-Day General	126	15,032	5	25,200	0.1193
5	32-General Space Heating Service	32,085	1,858,733	355	90,380	0.0579
6	52-Outdoor Lighting Service	4,800	427,963	1,422	3,376	0.0892
7	South Dakota					
8	20-Small General Service	31,328	2,864,125	1,894	16,541	0.0914
9	24-Private Lighting Service	469	36,459	320	1,466	0.0777
10	25-Irrigation Power Service	117	9,959	4	29,250	0.0851
11	26-Optional Time-of-Day Small Ge	26	2,390	1	26,000	0.0919
12	41-Street Lighting Service		94			
13	50-General Water Heating Service	84	7,874	9	9,333	0.0937
14	54-Special General Dual Fuel Spa	3,528	163,741	84	42,000	0.0464
15	56-General Space Heating Service	757	56,019	36	21,028	0.0740
16	Wyoming					
17	20-Small General Service	51,706	4,135,535	2,328	22,210	0.0800
18	22-Special Controlled Service	180	7,897	16	11,250	0.0439
19	24-Outdoor Lighting Service	949	40,245	397	2,390	0.0424
20	25-Irrigation Power Service	2,267	190,410	65	34,877	0.0840
21	26-Irrigation Power Service Optio	125	13,644	9	13,889	0.1092
22	Unbilled-net	-1,385	-58,557			0.0423
23	Adjust for Duplicate Customers			-4,383		
24	Subtotal Small Commercial	646,206	51,421,325	19,418	33,279	0.0796
25						
26	Large Commercial-442					
27	Montana					
28	25-Irrigation Power Service	154	9,312	2	77,000	0.0605
29	30-Large General Service	118,091	7,344,447	220	536,777	0.0622
30	31-Optional Time-of-Day Large Gen		861	1		
31	52-Outdoor Lighting Service	635	70,710	142	4,472	0.1114
32	North Dakota					
33	25-Irrigation Power Service	22	1,469	2	11,000	0.0668
34	30-Large General Service	353,473	24,964,118	612	577,570	0.0706
35	31-Optional Time-of-Day Large Ge	3,868	308,723	24	161,167	0.0798
36	32-General Space Heating Service	11,109	584,738	24	462,875	0.0526
37	38-Large Interruptible Power Dem	18,110	1,001,613	2	9,055,000	0.0553
38	52-Outdoor Lighting Service	449	39,978	172	2,610	0.0890
39	South Dakota					
40	24-Private Lighting Service	108	8,404	45	2,400	0.0778
41	TOTAL Billed	0	0	0	0	0.0000
42	Total Unbilled Rev.(See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	0	0	0	0	0.0000

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
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- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	25-Irrigation Power Service	16	1,422			0.0889
2	30-Large General Service	27,565	2,020,459	101	272,921	0.0733
3	Wyoming					
4	24-Outdoor Lighting Service	71	3,019	28	2,536	0.0425
5	26-Irrigation Power Service Opti		298			
6	39-Large General Service	84,537	4,987,251	135	626,200	0.0590
7	Unbilled-net	-6,456	-273,829			0.0424
8	Adjust for Duplicate Customers			-438		
9	Subtotal Large Commercial	611,752	41,072,993	1,072	570,664	0.0671
10						
11	Small Industrial-442					
12	Montana					
13	20-Small General Service	4,430	322,549	88	50,341	0.0728
14	31-Optional Time-of-Day Service	4,589	269,492	4	1,147,250	0.0587
15	35-Contract Rate Service	705	45,598	4	176,250	0.0647
16	52-Outdoor Lighting Service	3	314	3	1,000	0.1047
17	North Dakota					
18	20-Small General Service	681	59,194	52	13,096	0.0869
19	30-Large General Service	2,295	234,462	34	67,500	0.1022
20	32-General Space Heating Service	930	50,097	4	232,500	0.0539
21	52-Outdoor Lighting Service	53	4,733	22	2,409	0.0893
22	South Dakota					
23	20-Small General Service	368	31,797	11	33,455	0.0864
24	24-Private Lighting Service	17	1,305	7	2,429	0.0768
25	27-Feed Grinding Service	1	902	2	500	0.9020
26	54-Special General Dual Fuel Spa	17	870	1	17,000	0.0512
27	Wyoming					
28	20-Small General Service	435	36,241	12	36,250	0.0833
29	24-Outdoor Lighting Service	2	70	2	1,000	0.0350
30	Unbilled-net	-109	-10,104			0.0927
31	Adjust for Duplicate Customers			-45		
32	Subtotal Small Industrial	14,417	1,047,520	201	71,726	0.0727
33						
34	Large Industrial-442					
35	Montana					
36	30-Large General Service	84,908	4,761,297	28	3,032,429	0.0561
37	31-Optional Time-of-Day Service	8,735	541,023	6	1,455,833	0.0619
38	35-Contract Rate Service	215,363	10,522,229	11	19,578,455	0.0489
39	52-Outdoor Lighting Service	1	166	3	333	0.1660
40	North Dakota					
41	TOTAL Billed	0	0	0	0	0.0000
42	Total Unbilled Rev.(See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	0	0	0	0	0.0000

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

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- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	30-Large General Service	118,272	7,072,506	51	2,319,059	0.0598
2	31-Optional Time-of-Day Service	3,573	246,668	5	714,600	0.0690
3	32-General Electric Space Heatin	34	2,800	1	34,000	0.0824
4	39-Large Interruptible Power Ser	5,315	242,125	1	5,315,000	0.0456
5	52-Outdoor Lighting Service	14	1,202	5	2,800	0.0859
6	South Dakota					
7	24-Private Lighting Service	11	861	2	5,500	0.0783
8	30-Large General Service	7,245	465,165	5	1,449,000	0.0642
9	Wyoming					
10	39-Large General Service	2,987	209,993	8	373,375	0.0703
11	Unbilled-net	-1,441	-62,626			0.0435
12	Adjust for Duplicate Customers			-12		
13	Subtotal Large Industrial	445,017	24,003,409	114	3,903,658	0.0539
14						
15	Public Street & Hwy Lighting-444					
16	Montana					
17	20-Small General Service	163	11,630	7	23,286	0.0713
18	41-Municipal Lighting Service	6,892	496,964	262	26,305	0.0721
19	52-Outdoor Lighting Service	34	3,766	12	2,833	0.1108
20	North Dakota					
21	20-Small General Service	134	21,657	43	3,116	0.1616
22	41-Municipal Lighting Service	19,819	1,403,478	885	22,394	0.0708
23	52-Outdoor Lighting Service	106	10,048	35	3,029	0.0948
24	South Dakota					
25	20-Small General Service	1	359	2	500	0.3590
26	24-Private Lighting Service	6	498	5	1,200	0.0830
27	41-Street Lighting Service	2,621	220,266	146	17,952	0.0840
28	Wyoming					
29	20-Small General Service	14	2,240	6	2,333	0.1600
30	24-Outdoor Lighting Service	6	231	2	3,000	0.0385
31	41-Municipal Lighting Service	1,149	80,681	15	76,600	0.0702
32	Unbilled-net	-258	-16,336			0.0633
33	Adjust for Duplicate Customers			-753		
34	Subtotal Pub Str & Hwy Lighting	30,687	2,235,482	667	46,007	0.0728
35						
36	Other Sales to Public Auth-446					
37	Montana					
38	48-Municipal Pumping Service	7,231	416,506	113	63,991	0.0576
39	North Dakota					
40	20-Small General Service	420	47,890	69	6,087	0.1140
41	TOTAL Billed	0	0	0	0	0.0000
42	Total Unbilled Rev.(See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	0	0	0	0	0.0000

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

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- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MVwh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	30-Large General Service	1,739	133,399	7	248,429	0.0767
2	32-General Electric Space Heatin	264	13,296	4	66,000	0.0504
3	40-Municipal Service	4,478	340,872	345	12,980	0.0761
4	48-Municipal Pumping Service	31,742	1,899,602	330	96,188	0.0598
5	52-Outdoor Lighting Service	1	84	1	1,000	0.0840
6	South Dakota					
7	48-Municipal Pumping Service	1,384	94,765	52	26,615	0.0685
8	Unbilled-net	-236	-14,210			0.0602
9	Adjust for Duplicate Customers			-64		
10	Subtotal Other Sales	47,023	2,932,204	857	54,869	0.0624
11						
12	Interdepartmental-448					
13	Montana					
14	Billed	557	52,459	99	5,626	0.0942
15	North Dakota					
16	Billed	7,621	568,717	190	40,111	0.0746
17	South Dakota					
18	Billed	345	31,902	17	20,294	0.0925
19	Wyoming					
20	Billed	224	23,457	29	7,724	0.1047
21	Unbilled-net	-81	-4,173			0.0515
22	Adjust for Duplicate Customers			-126		
23	Subtotal Interdepartmental	8,666	672,362	209	41,464	0.0776
24						
25	Total	2,878,852	212,366,569	125,802	22,884	0.0738
26						
27						
28						
29	Fuel Clause Adjustment					
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	0	0	0	0	0.0000
42	Total Unbilled Rev.(See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	0	0	0	0	0.0000

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 304.4 Line No.: 29 Column: a

Revenue Billed Pursuant to Fuel Clause Adjustment (FCA) (Included in revenue amounts on pages 304-304.4)

Residential-440

Montana

10-Residential Electric Service	1,130,394
20-Small General Electric Service	33,875
52-Outdoor Lighting Service	4,469

North Dakota

10-Residential Electric Service	9,419,757
13-Optional Residential Thermal Energy Storage	493
16-Optional Time-of-Day Electric Service	3,203
20-Small General Electric Service	77,722
25-Irrigation Power Service	11
30-General Electric Service	71,335
32-General Electric Space Heating Service	22,677
52-Outdoor Lighting Service	14,779
95-Occasional Power Purchase Non-Time Differentiated	684

South Dakota

10-Residential Electric Service	314,271
20-Small General Electric Service	2,022
24-Private Lighting Service	869
53-Special Residential Electric Dual Fuel Space Heating Service	26,576
54-Special General Electric Dual Fuel Space Heating Service	416

Wyoming

10-Residential Electric Service	546,710
11-Special Residential Controlled Electric Service	38,160
20-Small General Electric Service	4,519
22-Special General Controlled Electric Service	33
24-Outdoor Lighting Service	2,059
Unbilled-net	539,153
Subtotal Residential	12,254,187

Small Commercial-442

Montana

20-Small General Electric Service	694,054
25-Irrigation Power Service	13,359
30-Large General Electric Service	15
32-General Electric Space Heating Service	248
52-Outdoor Lighting Service	12,055

North Dakota

20-Small General Electric Service	1,405,692
25-Irrigation Power Service	11,799
26-Time-of-Day Small General Electric Service	2,620
30-General Electric Service	4,594,857
31-Time-of-Day General Electric Service	1,691
32-General Electric Space Heating Service	435,425
52-Outdoor Lighting Service	70,109

South Dakota

20-Small General Electric Service	143,398
24-Private Lighting Service	2,164
25-Irrigation Power Service	355
26-Time-of-Day General Electric Service	105
41-Street Lighting Service Service	0

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MDU Resources Group, Inc.		12/31/2011	2011/Q4
FOOTNOTE DATA			

50-General Electric Water Heating Service	430
54-Special General Electric Dual Fuel Space Heating Service	18,528
56-General Electric Space Heating Service	3,661
Wyoming	
20-Small General Electric Service	220,517
22-Special General Controlled Electric Service	768
24-Outdoor Lighting Service	4,043
25-Irrigation Power Service	9,659
26-Irrigation Power Service Optional Time-of-Day	530
Unbilled-net	393,377
Subtotal Small Commercial	8,039,459
Large Commercial-442	
Montana	
25-Irrigation Power Service	234
30-Large General Electric Service	750,192
31-Optional Time-of-Day Large General Electric Service	0
52-Outdoor Lighting Service	6,884
North Dakota	
25-Irrigation Power Service	304
30-General Electric Service	4,867,103
31-Time-of-Day General Electric Service	56,487
32-General Electric Space Heating Service	148,275
38-Interruptible Large Power Demand Response	243,877
52-Outdoor Lighting Service	6,206
South Dakota	
24-Private Lighting Service	505
25-Irrigation Power Service	44
30-Large General Electric Service	128,246
Wyoming	
24-Outdoor Lighting Service	303
26-Irrigation Power Service Optional Time-of-Day	1
39-Large General Electric Service	344,606
Unbilled-net	230,554
Subtotal Large Commercial	6,783,821
Small Industrial-442	
Montana	
20-Small General Electric Service	33,581
31-Optional Time-of-Day Large General Electric Service	80,501
35-Contract Service	5,947
52-Outdoor Lighting Service	19
North Dakota	
20-Small General Electric Service	8,115
30-General Electric Service	33,345
32-General Electric Space Heating Service	12,023
52-Outdoor Lighting Service	714
South Dakota	
20-Small General Electric Service	1,714
24-Private Lighting Service	78
27-Feed Grinding Service	2
54-Special General Electric Dual Fuel Space Heating Service	87
Wyoming	
20-Small General Electric Service	1,857

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MDU Resources Group, Inc.		12/31/2011	2011/Q4
FOOTNOTE DATA			

24-Outdoor Lighting Service	7
Unbilled-net	(943)
Subtotal Small Industrial	177,047

Large Industrial-442	
Montana	
30-General Electric Service	683,344
31-Optional Time-of-Day Large General Electric Service	27,371
35-Contract Service	1,848,664
52-Outdoor Lighting Service	10
North Dakota	
30-General Electric Service	1,664,095
31-Optional Time-of-Day General Electric Service	48,297
32-General Electric Space Heating Service	479
39-Interruptible Large Power Service	74,680
52-Outdoor Lighting Service	215
South Dakota	
24-Private Lighting Service	51
30-Large General Electric Service	33,268
Wyoming	
39-Large General Service	12,745
Unbilled-net	90,762
Subtotal Large Industrial	4,483,981

Public Street and Highway Lighting-444	
Montana	
20-Small General Service	889
41-Municipal Lighting Service	48,935
52-Outdoor Lighting Service	301
North Dakota	
20-Small General Service	1,855
41-Municipal Lighting Service	288,135
52-Outdoor Lighting Service	1,596
South Dakota	
20-Small General Service	3
24-Private Lighting Service	29
41-Street Lighting Service	12,088
Wyoming	
20-Small General Electric Service	60
24-Outdoor Lighting Service	23
41-Municipal Lighting Service	4,902
Unbilled-net	16,530
Subtotal Public Street and Highway Lighting	375,346

Other Sales to Public Authorities-446	
Montana	
48-Municipal Pumping Service	44,890
North Dakota	
20-Small General Electric Service	5,735
30-General Electric Service	23,981
32-General Electric Space Heating Service	3,266
40-Small Municipal Electric Service	61,791
48-Municipal Pumping Service	452,007
52-Outdoor Lighting Service	15

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

South Dakota	
48-Municipal Pumping Service	6,201
Unbilled-net	24,283
Subtotal Other Sales	622,169
Interdepartmental Sales-448	
Montana	3,525
North Dakota	109,462
South Dakota	1,713
Wyoming	957
Unbilled-Net	3,948
Subtotal Interdepartmental	119,605
Total Fuel Clause Adjustment	32,855,615

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Midwest Independent Transmission					
2	System Operator (MISO)	OS	MISO	NA	NA	NA
3	Sales for Resale Fuel Cost					
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
63,899		1,569,446		1,569,446	2
		-1,191,550		-1,191,550	3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	
63,899	0	377,896	0	377,896	
63,899	0	377,896	0	377,896	

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 310 Line No.: 2 Column: b

Respondent began participation in the Midwest Independent System Operator (MISO) RTO in April 2005.

Schedule Page: 310 Line No.: 3 Column: i

Per Docket No. RM04-12-000; Order No. 668: Sales for Resale Revenue offset by Sales for Resale fuel and purchased power costs of \$1,191,550.

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	2,242,725	2,427,539
5	(501) Fuel	42,778,771	41,715,257
6	(502) Steam Expenses	5,097,170	4,475,451
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses	1,728,508	1,468,079
10	(506) Miscellaneous Steam Power Expenses	2,704,218	2,517,447
11	(507) Rents	601,437	466,854
12	(509) Allowances		1,500
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	55,152,829	53,072,127
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	884,419	870,259
16	(511) Maintenance of Structures	788,238	615,724
17	(512) Maintenance of Boiler Plant	5,387,060	4,911,038
18	(513) Maintenance of Electric Plant	1,040,342	1,035,360
19	(514) Maintenance of Miscellaneous Steam Plant	1,321,216	1,122,523
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	9,421,275	8,554,904
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	64,574,104	61,627,031
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	119,294	115,110
63	(547) Fuel	1,479,733	1,064,083
64	(548) Generation Expenses	616,147	471,416
65	(549) Miscellaneous Other Power Generation Expenses	326,141	336,691
66	(550) Rents	105,863	52,000
67	TOTAL Operation (Enter Total of lines 62 thru 66)	2,647,178	2,039,300
68	Maintenance		
69	(551) Maintenance Supervision and Engineering	59,510	55,251
70	(552) Maintenance of Structures	4,929	28,379
71	(553) Maintenance of Generating and Electric Plant	356,056	256,771
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	268	9
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	420,763	340,410
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	3,067,941	2,379,710
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	19,034,780	19,150,365
77	(556) System Control and Load Dispatching	1,412,221	1,268,053
78	(557) Other Expenses		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	20,447,001	20,418,418
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	88,089,046	84,425,159
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	1,088,750	1,478,704
84	(561) Load Dispatching		
85	(561.1) Load Dispatch-Reliability	457,004	337,336
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	756,326	776,715
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services	409,738	384,134
89	(561.5) Reliability, Planning and Standards Development		
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services	29,848	27,983
93	(562) Station Expenses	625,442	717,728
94	(563) Overhead Lines Expenses	196,256	194,676
95	(564) Underground Lines Expenses		
96	(565) Transmission of Electricity by Others	980,572	80,867
97	(566) Miscellaneous Transmission Expenses	120,119	131,321
98	(567) Rents	1,568,573	1,556,917
99	TOTAL Operation (Enter Total of lines 83 thru 98)	6,232,628	5,686,381
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	62,663	53,097
102	(569) Maintenance of Structures		
103	(569.1) Maintenance of Computer Hardware		
104	(569.2) Maintenance of Computer Software		
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	796,595	404,220
108	(571) Maintenance of Overhead Lines	1,575,932	2,899,521
109	(572) Maintenance of Underground Lines	110	
110	(573) Maintenance of Miscellaneous Transmission Plant		
111	TOTAL Maintenance (Total of lines 101 thru 110)	2,435,300	3,356,838
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	8,667,928	9,043,219

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services	482,629	507,360
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)	482,629	507,360
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Exps (Total 123 and 130)	482,629	507,360
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	1,153,869	1,131,740
135	(581) Load Dispatching		
136	(582) Station Expenses	513,814	460,289
137	(583) Overhead Line Expenses	741,926	664,179
138	(584) Underground Line Expenses	889,704	900,254
139	(585) Street Lighting and Signal System Expenses	58,506	65,517
140	(586) Meter Expenses	795,587	502,263
141	(587) Customer Installations Expenses	265,774	327,990
142	(588) Miscellaneous Expenses	2,270,161	2,163,444
143	(589) Rents	121,967	113,086
144	TOTAL Operation (Enter Total of lines 134 thru 143)	6,811,308	6,328,762
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	322,107	327,213
147	(591) Maintenance of Structures		
148	(592) Maintenance of Station Equipment	169,440	129,930
149	(593) Maintenance of Overhead Lines	2,727,670	2,559,176
150	(594) Maintenance of Underground Lines	796,862	543,705
151	(595) Maintenance of Line Transformers	173,954	136,885
152	(596) Maintenance of Street Lighting and Signal Systems	204,152	179,964
153	(597) Maintenance of Meters	28,441	27,720
154	(598) Maintenance of Miscellaneous Distribution Plant	474,762	404,556
155	TOTAL Maintenance (Total of lines 146 thru 154)	4,897,388	4,309,149
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	11,708,696	10,637,911
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision	130,632	172,651
160	(902) Meter Reading Expenses	847,203	844,486
161	(903) Customer Records and Collection Expenses	2,044,521	1,874,895
162	(904) Uncollectible Accounts	399,978	274,418
163	(905) Miscellaneous Customer Accounts Expenses	200,333	220,814
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	3,622,667	3,387,264

Name of Respondent MDU Resources Group, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
166	Operation			
167	(907) Supervision	54,876	54,873	
168	(908) Customer Assistance Expenses	302,106	285,288	
169	(909) Informational and Instructional Expenses	48,262	29,280	
170	(910) Miscellaneous Customer Service and Informational Expenses	595	616	
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	405,839	370,057	
172	7. SALES EXPENSES			
173	Operation			
174	(911) Supervision	15,539	17,645	
175	(912) Demonstrating and Selling Expenses	114,662	56,466	
176	(913) Advertising Expenses	58,003	29,671	
177	(916) Miscellaneous Sales Expenses	28,433	33,941	
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	216,637	137,723	
179	8. ADMINISTRATIVE AND GENERAL EXPENSES			
180	Operation			
181	(920) Administrative and General Salaries	4,733,689	4,977,324	
182	(921) Office Supplies and Expenses	2,844,488	2,711,032	
183	(Less) (922) Administrative Expenses Transferred-Credit			
184	(923) Outside Services Employed	330,187	611,437	
185	(924) Property Insurance	699,376	778,955	
186	(925) Injuries and Damages	936,436	1,095,636	
187	(926) Employee Pensions and Benefits	7,754,471	4,616,126	
188	(927) Franchise Requirements			
189	(928) Regulatory Commission Expenses	468,036	346,634	
190	(929) (Less) Duplicate Charges-Cr.			
191	(930.1) General Advertising Expenses	103,286	51,824	
192	(930.2) Miscellaneous General Expenses	439,387	334,488	
193	(931) Rents	359,243	514,322	
194	TOTAL Operation (Enter Total of lines 181 thru 193)	18,668,599	16,037,778	
195	Maintenance			
196	(935) Maintenance of General Plant	528,566	515,813	
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	19,197,165	16,553,591	
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	132,390,607	125,062,284	

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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Black Hills Power & Light Co.	RQ	BHPL #42	49	49	49
2	Xcel Energy	OS	MAPP #5	110	110	110
3	Western Area Power Administration	OS	19			
4	Western Area Power Admin - Ft. Peck	LF	19			
5	Western Area Power Administration	EX	19			
6	Midwest Independent Transmission	EX	MISO			
7	System Operator (MISO)					
8	State of North Dakota (Generator)	OS		4	4	4
9	Deferral per tariff					
10						
11						
12						
13						
14						
	Total					

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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PURCHASED POWER(Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$ (j))	Energy Charges (\$ (k))	Other Charges (\$ (l))	Total (j+k+l) of Settlement (\$) (m)	
83,968			3,680,974	2,085,980		5,766,954	1
			2,026,507			2,026,507	2
							3
14,301				475,515		475,515	4
	55,610	51,363			74,492	74,492	5
543,051				11,267,735		11,267,735	6
							7
			127,500			127,500	8
					-703,923	-703,923	9
							10
							11
							12
							13
							14
641,320	55,610	51,363	5,834,981	13,829,230	-629,431	19,034,780	

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 2 Column: b

Other Service classification includes purchases for scheduled outages, operational control, general purpose, emergencies, interruptible load replacement and economical reasons.

Schedule Page: 326 Line No.: 2 Column: d

Contract period May - October

Schedule Page: 326 Line No.: 5 Column: l

Amounts recorded to reflect power exchanges and do not constitute monetary settlements

Schedule Page: 326 Line No.: 8 Column: b

Other Service classification includes purchases during periods of generation and economical reasons.

Schedule Page: 326 Line No.: 9 Column: l

Reflects amount of fuel and purchased power deferred in accordance with respective state tariffs

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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Western Area Power Administration (WAPA)	WAPA	WAPA	OLF
2	Basin Electric Power Cooperative	Basin Electric Power Cooperative	Basin Electric Power Cooperative	OLF
3	Powder River Energy Corp.	Powder River Energy Corp.	Powder River Energy Corp.	OLF
4	Midwest Independent Transmission			
5	System Operator (MISO)	MISO participants	MISO participants	OS
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
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29				
30				
31				
32				
33				
34				
	TOTAL			

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
19	Various	Various		404,629	386,746	1
#30	Various	Various		1,056,259	987,158	2
5	Sheridan	Various		76,859	71,831	3
						4
MISO	Various	Various				5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
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						31
						32
						33
						34
			0	1,537,747	1,445,735	

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	245,560		245,560	1
		105,678	105,678	2
	57,644		57,644	3
				4
	1,957,643		1,957,643	5
				6
				7
				8
				9
				10
				11
				12
				13
				14
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				27
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				34
0	2,260,847	105,678	2,366,525	

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 328 Line No.: 1 Column: d
WAPA contract termination 12/31/2015

Schedule Page: 328 Line No.: 2 Column: m
Fixed monthly wheeling fee

Schedule Page: 328 Line No.: 3 Column: d
Sheridan-Johnson REA contract is perpetual

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

- Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
- In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
- In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
- Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
- Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
- Enter "TOTAL" in column (a) as the last line.
- Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	DELIVERED POWER TO AND							
2	RECEIVED POWER FROM							
3	WHEELER							
4	Western Area Power Admn	FNS	596,798	627,485		811,527		811,527
5	Mor Gran Sou Elec Coop	LFP	1,444	1,574				
6	Grand Elec Coop	LFP	660	726		5,324		5,324
7	Midwest Independent							
8	Transmission System							
9	Operator (MISO)	OS					163,721	163,721
10								
11								
12								
13								
14								
15								
16								
	TOTAL		598,902	629,785		816,851	163,721	980,572

Name of Respondent MDU Resources Group, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)				
Line No.	Description (a)	Amount (b)		
1	Industry Association Dues	254,656		
2	Nuclear Power Research Expenses			
3	Other Experimental and General Research Expenses			
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities			
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000			
6	Director's Fees and Expenses	178,380		
7	Bank Service Fees	6,351		
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
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46	TOTAL	439,387		

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			540,301		540,301
2	Steam Production Plant	9,508,504				9,508,504
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	6,629,685				6,629,685
7	Transmission Plant	2,871,085				2,871,085
8	Distribution Plant	6,763,209				6,763,209
9	Regional Transmission and Market Operation					
10	General Plant	547,746				547,746
11	Common Plant-Electric	938,189		573,008		1,511,197
12	TOTAL	27,258,418		1,113,309		28,371,727

B. Basis for Amortization Charges

Range from five year, 20% to ten year, 10% Straight Line Amortization for computer software.

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Steam Production Plant					0	
13	311	54,466	59.40	-22.90	2.16	L3	16.40
14	312	206,978	50.00	-12.20	2.43	R1	18.70
15	314	72,357	50.00	-13.20	2.74	R1.5	22.40
16	315	19,098	58.00	-12.80	1.54	R3	23.40
17	316	15,878	35.00	-2.80	4.59	R.5	11.50
18	317	283				0	
19	Subtotal	369,060				0	
20						0	
21	Other Production Plant					0	
22	341	6,964	40.00	-134.50	2.03	R2.5	23.50
23	342	2,557	43.00	-195.60	1.03	R5	29.40
24	344	128,179	22.30	-11.89	4.41	R4	20.10
25	345	15,332	30.00	-6.70	3.23	L4	19.90
26	346	234	40.00	-23.00	2.15	R3	28.10
27	347	3,143					
28	Subtotal	156,409				0	
29						0	
30	Transmission Plant						
31	350.2	3,461	50.00		1.30	R3	26.20
32	352	2	45.00		9.55	R2.5	6.50
33	353	85,999	48.00	-10.00	1.85	R3	28.60
34	354	4,993	55.00		1.60	R5	31.10
35	355	36,963	47.00	-35.00	2.39	R2.5	28.20
36	356	29,101	50.00		1.13	R2.5	25.00
37	357	1,942	50.00		2.01	R3	49.50
38	358	3,102	50.00		2.01	R3	49.50
39	359.1	1				0	
40	Subtotal	165,564				00	
41						0	
42	Distribution Plant					0	
43	360.2	845	50.00		1.35	R2	31.00
44	362	40,971	45.00		1.80	R2.5	29.60
45	364	29,260	40.00	-70.00	4.06	R1.5	25.90
46	365	19,855	40.00	-70.00	3.83	R2	23.20
47	366	218	50.00		1.88	R3	34.90
48	367	58,587	34.00	-15.00	3.15	R2.5	23.90
49	368	49,801	47.00	-15.00	2.22	R3	31.40
50	369	24,120	37.80	-50.00	1.78	R4	23.30

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	370	15,887	35.00	-5.00	3.44	R2	25.80
13	371	2,320	19.00	-10.00	4.75	R1.5	11.90
14	373	6,414	36.00	-30.00	3.73	R2	18.60
15	374	40					
16	Subtotal	248,318				0	
17						0	
18						0	
19						0	
20	General Plant					0	
21	303	9,016	3.26		30.67	0	1.07
22	390	522	35.00	-10.00	3.67	R2.5	13.40
23	391.1	211	15.00		6.67	R1.5	
24	391.2		7.00		14.29	R4	
25	391.3	144	5.00		21.93	R3	
26	391.4	607	5.00		9.66	L4	
27	391.5	25	10.00		10.00	L3	
28	392.1	856	15.00		7.99	R4	7.10
29	392.2	5,355	8.00		4.07	L3	5.50
30	393	15	30.00		3.33	R2	
31	394.1	2,274	20.00		5.00	R2	
32	395	505	20.00		5.00	R3	
33	396.1	250	20.00		5.33	L3	11.50
34	396.2	8,822	15.00		5.76	L4	9.40
35	397.1	106	15.00		6.67	R3	
36	397.2	76	15.00		6.67	R3	
37	397.3	148	10.00		10.00	R3	
38	397.4	192	15.00		6.67	R3	
39	397.5	70	10.00		10.00	R1.5	
40	397.6	665	10.00		10.00	R3	
41	397.8	877	5.00		20.00	R3	
42	397.9	156	15.00		6.67	R3	
43	398	31	25.00		4.00	R3	
44	Subtotal	30,923					
45							
46	Total	970,274					
47							
48	Footnote						
49							
50							

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 336 Line No.: 18 Column: a

SFAS 143 Asset Retirement Obligation (ARO) depreciated over the estimated remaining life until removal of the asset, with legal obligations.

Schedule Page: 336 Line No.: 27 Column: a

SFAS 143 Asset Retirement Obligation (ARO) depreciated over the estimated remaining life until removal of the asset, with legal obligations.

Schedule Page: 336 Line No.: 39 Column: a

SFAS 143 Asset Retirement Obligation (ARO) depreciated over the estimated remaining life until removal of the asset, with legal obligations.

Schedule Page: 336.1 Line No.: 15 Column: a

SFAS 143 Asset Retirement Obligation (ARO) depreciated over the estimated remaining life until removal of the asset, with legal obligations.

Schedule Page: 336.1 Line No.: 23 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 24 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 25 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 26 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 27 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 30 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 31 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 32 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 35 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 36 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 37 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 38 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 39 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 40 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 41 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 42 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 43 Column: g

Not Applicable

Schedule Page: 336.1 Line No.: 48 Column: a

Column (b) - 12/31/11 depreciable sub-plant account balances.

Other depreciation provisions include:

Provision for deferred AFUDC, interest and depreciation of Coyote I Station which had been disallowed in Montana rate base: \$168,451 in 2011.

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	State Commission Regulatory Expense Amortized				
2	Over Various 12 Month Periods				
3					
4	MONTANA				
5	Electric				318,542
6					
7	Gas				12,277
8					
9					
10	NORTH DAKOTA				
11	Electric				201,323
12					
13	Gas				
14					
15					
16	SOUTH DAKOTA				
17	Electric				
18					
19	Gas				16,812
20					
21					
22	SOUTH DAKOTA - EAST RIVER				
23	Gas				25,491
24					
25					
26	WYOMING				
27	Electric				207,202
28					
29	Gas				
30					
31					
32	MINNESOTA				
33	Gas				
34					
35					
36	NORTH DAKOTA - WAHPETON				
37	Gas				
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				781,647

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
							1
							2
							3
							4
Electric	928	47,960	157,877	928	164,866	311,553	5
							6
Gas	928	1,742				12,277	7
							8
							9
							10
Electric	928	129,438	1,497	928	40,295	162,525	11
							12
Gas	928	-957					13
							14
							15
							16
Electric	928	17,801					17
							18
Gas	928	21,722		928	16,812		19
							20
							21
							22
Gas	928	106		928	3,470	22,021	23
							24
							25
							26
Electric	928	27,775	238	928	39,901	167,539	27
							28
Gas	928	51,229					29
							30
							31
							32
Gas	928	148,943					33
							34
							35
							36
Gas	928	-600					37
							38
							39
							40
							41
							42
							43
							44
							45
		445,159	159,612		265,344	675,915	46

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution	2,315,371		
49	Administrative and General	119,363		
50	TOTAL Maint. (Enter Total of lines 43 thru 49)	2,460,708		
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)	362,258		
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru 47)			
56	Transmission (Lines 35 and 47)	18,500		
57	Distribution (Lines 36 and 48)	12,876,451		
58	Customer Accounts (Line 37)	8,212,052		
59	Customer Service and Informational (Line 38)	358,844		
60	Sales (Line 39)	312,661		
61	Administrative and General (Lines 40 and 49)	3,236,802		
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)	25,377,568	50,439	25,428,007
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	48,511,082	113,788	48,624,870
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	3,496,001	1,083,866	4,579,867
69	Gas Plant	2,971,359	783,307	3,754,666
70	Other (provide details in footnote):	2,390,240	1,705,528	4,095,768
71	TOTAL Construction (Total of lines 68 thru 70)	8,857,600	3,572,701	12,430,301
72	Plant Removal (By Utility Departments)			
73	Electric Plant	315,793	3,071	318,864
74	Gas Plant	359,375	2,251	361,626
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	675,168	5,322	680,490
77	Other Accounts (Specify, provide details in footnote):			
78	121 Non-Utility	22,841		22,841
79	146 Accounts Receivable from Associated Companies	11,201,259	65	11,201,324
80	183 Preliminary Survey and Investigation	42,168	8	42,176
81	184 Clearing Accounts	543,432		543,432
82	416 Cost & Expense for Merchandising, Jobbing & Contract Work	2,523,530	6,342	2,529,872
83	417 Expenses for Non-Utility Operations	487,496		487,496
84	426 Miscellaneous Income Deductions	-1,410	3,246	1,836
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	14,819,316	9,661	14,828,977
96	TOTAL SALARIES AND WAGES	72,863,166	3,701,472	76,564,638

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 354 Line No.: 70 Column: b

CWIP

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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COMMON UTILITY PLANT AND EXPENSES

- Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
- Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
- Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
- Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

Account No.	Utility Plant	Accumulated Depreciation	Depreciation Expense
PLANT IN SERVICE			
303 Misc. Intangible Plant	\$24,665,974	\$19,084,198	\$ 989,651
389 Land and Land Rights	2,795,303	0	0
390 Structures and Improvements	30,003,892	13,209,790	660,048
391 Office Furniture & Equipment	5,032,007	3,315,564	546,386
392 Transportation Equipment	9,131,932	4,947,177	351,515
393 Stores Equipment	45,012	20,936	1,596
394 Miscellaneous Tools	750,718	406,869	47,928
396 Power Operated Equipment	0	(3,135)	1,163
397 Communication Equipment	2,157,950	658,175	208,050
398 Miscellaneous Equipment	916,927	461,071	49,182
3991 Asset Retirement Obligations	7,270	4,498	0
	\$75,506,985	\$42,105,143	\$2,855,519
WORK IN PROGRESS			
	\$23,098,801	(\$ 169)	
	\$98,605,786	\$42,104,974	\$2,855,519
Allocation of Common Utility Plant			
Electric Department	\$51,213,098	\$25,499,287	\$1,511,197
Natural Gas Department	47,392,688	16,605,687	1,151,086
Clearing Accounts			193,236
	\$98,605,786	\$42,104,974	\$2,855,519

Basis of Allocation

- General Office common plant and depreciation are allocated based on net plant and employee ratios.
- Other common plant and depreciation are directly assigned or allocated based on the ratio of electric transmission and distribution and gas distribution gross plant investment by state or employee ratios.
- Expenses other than depreciation are not shown above but are allocated on net plant in service and number of employee ratios.

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM: INTEGRATED SYSTEM

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	713	31	2000	458	255				
2	February	720	1	2000	449	271				
3	March	679	1	2000	432	247				
4	Total for Quarter 1	2,112			1,339	773				
5	April	535	19	1000	359	176				
6	May	466	10	1200	329	137				
7	June	646	29	1900	475	171				
8	Total for Quarter 2	1,647			1,163	484				
9	July	744	19	1700	536	208				
10	August	691	22	1800	488	203				
11	September	610	8	1800	419	191				
12	Total for Quarter 3	2,045			1,443	602				
13	October	535	5	1700	379	156				
14	November	630	21	1000	415	215				
15	December	712	5	1900	448	264				
16	Total for Quarter 4	1,877			1,242	635				
17	Total Year to Date/Year	7,681			5,187	2,494				

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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM: SHERIDAN SYSTEM

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	66	31	2000	55	11				
2	February	65	1	2000	55	10				
3	March	55	7	900	46	9				
4	Total for Quarter 1	186			156	30				
5	April	48	4	900	39	9				
6	May	46	20	1100	37	9				
7	June	60	29	1800	51	9				
8	Total for Quarter 2	154			127	27				
9	July	69	18	1800	59	9				
10	August	64	24	1800	55	9				
11	September	51	8	1800	43	9				
12	Total for Quarter 3	184			157	27				
13	October	48	3	1800	40	8				
14	November	56	20	1900	46	10				
15	December	62	5	1900	52	10				
16	Total for Quarter 4	166			138	28				
17	Total Year to Date/Year	690			578	112				

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ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	2,878,852
3	Steam	2,271,288	23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	63,899
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	
7	Other	217,049	27	Total Energy Losses	252,282
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	3,195,033
9	Net Generation (Enter Total of lines 3 through 8)	2,488,337			
10	Purchases	641,320			
11	Power Exchanges:				
12	Received	55,610			
13	Delivered	51,363			
14	Net Exchanges (Line 12 minus line 13)	4,247			
15	Transmission For Other (Wheeling)				
16	Received	1,537,747			
17	Delivered	1,445,735			
18	Net Transmission for Other (Line 16 minus line 17)	92,012			
19	Transmission By Others Losses	-30,883			
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	3,195,033			

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MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM: INTEGRATED SYSTEM

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	290,778	3,656	458	31	2000
30	February	246,518	2,208	449	1	2000
31	March	251,001	797	432	1	2000
32	April	205,123	142	359	19	1000
33	May	209,659	11,642	329	10	1200
34	June	209,109	10,077	475	29	1900
35	July	269,806	17,212	536	19	1700
36	August	262,441	14,775	488	22	1800
37	September	210,525	3,342	419	8	1800
38	October	230,642		379	5	1700
39	November	255,473	37	415	21	1000
40	December	258,373	11	448	5	1900
41	TOTAL	2,899,448	63,899			

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FOOTNOTE DATA			

Schedule Page: 401 Line No.: 29 Column: b

MONTHLY PEAKS AND OUTPUTS

Name of System: SHERIDAN SYSTEM

Line #	Month (a)	Total Mo. Energy (b)	Megawatts (d)	Day (e)	Hour (f)
29	Jan	29,071	66	31	2000
30	Feb	26,817	65	1	2000
31	Mar	25,291	55	7	0900
32	Apr	22,285	48	4	0900
33	May	21,384	46	20	1100
34	Jun	20,562	60	29	1800
35	Jul	27,294	69	18	1800
36	Aug	26,060	64	24	1800
37	Sep	20,932	51	8	1800
38	Oct	21,501	48	3	1800
39	Nov	25,347	56	20	1900
40	Dec	29,041	62	5	1900
41	Total	295,585	690		

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: <i>R.M. Heskett</i> (b)	Plant Name: <i>Lewis & Clark</i> (c)				
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Steam	Steam				
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Outdoor Boiler	Outdoor Boiler				
3	Year Originally Constructed	1954	1958				
4	Year Last Unit was Installed	1963	1958				
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	86.00	44.00				
6	Net Peak Demand on Plant - MW (60 minutes)	103	53				
7	Plant Hours Connected to Load	7541	7889				
8	Net Continuous Plant Capability (Megawatts)	0	0				
9	When Not Limited by Condenser Water	104	53				
10	When Limited by Condenser Water	86	52				
11	Average Number of Employees	50	26				
12	Net Generation, Exclusive of Plant Use - KWh	500080400	300782471				
13	Cost of Plant: Land and Land Rights	242583	80862				
14	Structures and Improvements	11651162	4302094				
15	Equipment Costs	73340254	32882742				
16	Asset Retirement Costs	124396	34548				
17	Total Cost	85358395	37300246				
18	Cost per KW of Installed Capacity (line 17/5) Including	992.5395	847.7329				
19	Production Expenses: Oper, Supv, & Engr	760794	214953				
20	Fuel	12138559	6077885				
21	Coolants and Water (Nuclear Plants Only)	0	0				
22	Steam Expenses	2207067	1196203				
23	Steam From Other Sources	0	0				
24	Steam Transferred (Cr)	0	0				
25	Electric Expenses	744138	160457				
26	Misc Steam (or Nuclear) Power Expenses	705262	531477				
27	Rents	0	0				
28	Allowances	0	0				
29	Maintenance Supervision and Engineering	344989	172392				
30	Maintenance of Structures	157504	309435				
31	Maintenance of Boiler (or reactor) Plant	1344221	773080				
32	Maintenance of Electric Plant	404712	74132				
33	Maintenance of Misc Steam (or Nuclear) Plant	637760	323620				
34	Total Production Expenses	19445006	9833634				
35	Expenses per Net KWh	0.0389	0.0327				
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Coal-Lig	Tires	Gas	Coal-Lig	Gas	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Tons	Tons	Mcf	Tons	Mcf	
38	Quantity (Units) of Fuel Burned	469132	496	239	297835	7773	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	7068	15000	1084	6432	1432	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	24.601	64.345	12.991	19.065	5.824	0.000
41	Average Cost of Fuel per Unit Burned	25.807	57.181	12.991	20.255	5.824	0.000
42	Average Cost of Fuel Burned per Million BTU	1.826	1.906	11.984	1.575	4.067	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.024	0.000	0.000	0.020	0.000	0.000
44	Average BTU per KWh Net Generation	13291.440	0.000	0.000	12774.947	0.000	0.000

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>Miles City</i> (d)			Plant Name: <i>Big Stone</i> (e)			Plant Name: <i>WY Gen III</i> (f)			Line No.
	Gas Turbine			Steam			Steam		1
	Conventional			Conventional			Conventional		2
	1972			1975			2010		3
	1972			1975			2010		4
	23.15			94.11			28.00		5
	21			108			27		6
	25			7036			8248		7
	0			0			0		8
	24			109			26		9
	20			103			26		10
	0			17			5		11
	218600			508057705			206589000		12
	609			150559			0		13
	147190			9356773			2785728		14
	3077200			51484099			60514581		15
	0			4060			0		16
	3224999			60995491			63300309		17
	139.3088			648.1298			2260.7253		18
	43104			237950			598878		19
	87631			11750446			2249989		20
	0			0			0		21
	46616			225635			420544		22
	0			0			0		23
	0			0			0		24
	51104			311662			65451		25
	0			686047			300138		26
	0			0			601262		27
	0			0			0		28
	18223			138513			58719		29
	3			90949			107722		30
	65108			1411687			325508		31
	0			306791			65242		32
	0			131678			807		33
	311789			15291358			4794260		34
	1.4263			0.0301			0.0232		35
Gas	Fuel Oil		Coal-Sub Bit	Fuel Oil		Coal-Sub Bit			36
Mcf	Bbl		Tons	Bbl		Tons			37
996	676	0	332434	1465	0	103124	0	0	38
1082	140000	0	8217	140000	0	7883	0	0	39
18.513	90.471	0.000	34.818	149.326	0.000	21.818	0.000	0.000	40
18.513	90.471	0.000	34.745	136.465	0.000	21.818	0.000	0.000	41
17.110	15.390	0.000	2.114	23.211	0.000	1.384	0.000	0.000	42
0.364	0.000	0.000	0.023	0.000	0.000	0.011	0.000	0.000	43
23106.912	0.000	0.000	10770.207	0.000	0.000	7869.988	0.000	0.000	44

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: <i>Glendive</i> (b)	Plant Name: <i>Coyote</i> (c)				
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Gas Turbine	Steam				
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	Conventional				
3	Year Originally Constructed	1979	1981				
4	Year Last Unit was Installed	2003	1981				
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	77.35	103.65				
6	Net Peak Demand on Plant - MW (60 minutes)	74	107				
7	Plant Hours Connected to Load	441	8036				
8	Net Continuous Plant Capability (Megawatts)	0	0				
9	When Not Limited by Condenser Water	75	105				
10	When Limited by Condenser Water	66	96				
11	Average Number of Employees	3	20				
12	Net Generation, Exclusive of Plant Use - KWh	15430705	755778751				
13	Cost of Plant: Land and Land Rights	37924	522773				
14	Structures and Improvements	293723	26226703				
15	Equipment Costs	27644800	96232928				
16	Asset Retirement Costs	0	119872				
17	Total Cost	27976447	123102276				
18	Cost per KW of Installed Capacity (line 17/5) Including	361.6865	1187.6727				
19	Production Expenses: Oper, Supv, & Engr	26615	430150				
20	Fuel	1092265	11753442				
21	Coolants and Water (Nuclear Plants Only)	0	0				
22	Steam Expenses	79843	1047721				
23	Steam From Other Sources	0	0				
24	Steam Transferred (Cr)	0	0				
25	Electric Expenses	123582	446800				
26	Misc Steam (or Nuclear) Power Expenses	0	481294				
27	Rents	0	175				
28	Allowances	0	0				
29	Maintenance Supervision and Engineering	16437	169806				
30	Maintenance of Structures	747	122628				
31	Maintenance of Boiler (or reactor) Plant	121709	1532564				
32	Maintenance of Electric Plant	0	189465				
33	Maintenance of Misc Steam (or Nuclear) Plant	0	227351				
34	Total Production Expenses	1461198	16401396				
35	Expenses per Net KWh	0.0947	0.0217				
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Fuel Oil	Coal-Lig	Fuel Oil		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Mcf	Bbl	Tons	Bbl		
38	Quantity (Units) of Fuel Burned	177403	920	0	606217	1850	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1113	140000	0	6970	140000	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	5.671	102.414	0.000	19.279	136.217	0.000
41	Average Cost of Fuel per Unit Burned	5.671	102.414	0.000	19.006	125.327	0.000
42	Average Cost of Fuel Burned per Million BTU	5.095	17.409	0.000	1.363	21.311	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.071	0.000	0.000	0.016	0.000	0.000
44	Average BTU per KWh Net Generation	13146.596	0.000	0.000	11195.796	0.000	0.000

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 402 Line No.: -1 Column: d Plant is designed for peak load service
Schedule Page: 402 Line No.: -1 Column: e Plant is 22.7% owned by Respondent. Statistics represent Respondent's share of plant costs, production expenses and other data.
Schedule Page: 402 Line No.: -1 Column: f Plant is 25.0% owned by Respondent. Statistics represent Respondent's share of plant cost, production expenses and other data.
Schedule Page: 402 Line No.: 5 Column: b Maximum Turbine Name Plate Rating
Schedule Page: 402 Line No.: 5 Column: c Maximum Turbine Name Plate Rating
Schedule Page: 402 Line No.: 5 Column: d Maximum Turbine Name Plate Rating
Schedule Page: 402 Line No.: 5 Column: e Statistics reflect 22.7% of Maximum Turbine Name Plate Rating of 414.6
Schedule Page: 402 Line No.: 5 Column: f Statistics reflect 25% of Maximum Turbine Name Plate Rating of 100
Schedule Page: 402 Line No.: 10 Column: d Limited by ambient air temperature
Schedule Page: 402 Line No.: 20 Column: b Total fuel costs for all generating plants include sales for resale fuel costs of \$1,191,550.
Schedule Page: 402.1 Line No.: -1 Column: b Plant is designed for peak load service.
Schedule Page: 402.1 Line No.: -1 Column: c Plant is 25% owned by Respondent. Statistics represent Respondent's share of plant costs, production expenses and other data.
Schedule Page: 402.1 Line No.: 5 Column: b Maximum Turbine Name Plate Rating
Schedule Page: 402.1 Line No.: 5 Column: c Statistics reflect 25% of Maximum Turbine Name Plate Rating of 414.6
Schedule Page: 402.1 Line No.: 10 Column: b Limited by ambient air temperature
Schedule Page: 402 Line No.: 43 Column: b1 Average cost of all fuels burned per net kWh generated.
Schedule Page: 402 Line No.: 43 Column: c1 Average cost of all fuels burned per net kWh generated.
Schedule Page: 402 Line No.: 43 Column: d1 Average cost of all fuels burned per net kWh generated.
Schedule Page: 402 Line No.: 43 Column: e1 Average cost of all fuels burned per net kWh generated.
Schedule Page: 402 Line No.: 43 Column: f1 Average cost of all fuels burned per net kWh generated.
Schedule Page: 402 Line No.: 44 Column: b1 Average Btu per net kWh generated for all fuels.
Schedule Page: 402 Line No.: 44 Column: c1 Average Btu per net kWh generated for all fuels.
Schedule Page: 402 Line No.: 44 Column: d1 Average Btu per net kWh generated for all fuels.
Schedule Page: 402 Line No.: 44 Column: e1 Average Btu per net kWh generated for all fuels.
Schedule Page: 402 Line No.: 44 Column: f1

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Average Btu per net kWh generated for all fuels.

Schedule Page: 402.1 Line No.: 43 Column: b1

Average cost of all fuels burned per net kWh generated.

Schedule Page: 402.1 Line No.: 43 Column: c1

Average cost of all fuels burned per net kWh generated.

Schedule Page: 402.1 Line No.: 44 Column: b1

Average Btu per net kWh generated for all fuels.

Schedule Page: 402.1 Line No.: 44 Column: c1

Average Btu per net kWh generated for all fuels.

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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	GAS TURBINE					
2	Williston	1953	7.80		-68,265	1,967,382
3						
4	WIND					
5	Diamond Willow	2007	30.00	30.0	98,867,420	62,503,377
6	Cedar Hills	2010	19.50	20.0	59,467,753	45,052,116
7						
8	WASTE HEAT					
9	Ormat Facility	2009	7.50	6.5	43,132,800	15,416,047
10						
11						
12						
13						
14						
15						
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17						
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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
252,228	32,113	6,761	6,207	Nat Gas		2
						3
						4
2,083,446	236,591		199,702	Wind		5
2,310,365	207,958		81,895	Wind		6
						7
						8
2,055,473	214,056	293,076	16,595	Waste Heat		9
						10
						11
						12
						13
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						46

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 410 Line No.: 2 Column: c

Maximum Turbine Name Plate Rating

Schedule Page: 410 Line No.: 5 Column: b

7 turbines added in 2010

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(Next page is 422)

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	AVS	Charlie Creek	345.00	345.00	3	26.57		1
2	Coyote	Center	345.00	345.00	2	11.41		1
3	Coyote Switch Yard		345.00	345.00	2	1.04		1
4	Center	Jamestown	345.00	345.00	2	10.69		1
5	Big Stone Plant	Sisseton	230.00	230.00	2	47.55		1
6	Heskett Station	East Bismarck	230.00	230.00	2	10.49		1
7	Bismarck	Wishek	230.00	230.00	2	67.41		1
8	Wishek	Ellendale	230.00	230.00	2	54.83		1
9	Heskett Station	WAPA Tie	230.00	230.00	2	2.16		1
10	Montana Border	South Dakota Border	230.00	230.00	2	86.19		1
11								
12	Lines Below 132 Kilovolts		115.00	115.00	2	572.84	2.96	
13			69.00	69.00	Various	85.16	1.33	1
14			41.60	69.00	2	103.62		1
15			57.00	69.00	2	3.34		1
16			57.00	60.00	Various	865.05	0.89	1
17			41.60		Various	1,047.66	17.86	
18			33.00	35.00	1	28.99		1
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36					TOTAL	3,025.00	23.04	15

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
2306.2 KcMIL								1
2-954 MCM								2
2-954 MCM								3
2-1272 MCM								4
954 MCM								5
795 MCM								6
795 MCM								7
795 MCM								8
954 MCM								9
954 MCM								10
								11
Various								12
Various								13
4/0 ACSR								14
4/0 ACSR								15
Various								16
Various								17
Various								18
								19
	3,518,932	76,102,884	79,621,816	3,058,041	1,638,595	1,568,573	6,265,209	20
								21
								22
								23
								24
								25
								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
	3,518,932	76,102,884	79,621,816	3,058,041	1,638,595	1,568,573	6,265,209	36

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
MDU Resources Group, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2011	2011/Q4
FOOTNOTE DATA			

Schedule Page: 422 Line No.: 4 Column: b

Respondent, Otter Tail Power Company, Northern Municipal Power Agency and Northwestern Public Service (NMPA) share ownership of 10.69 miles of transmission line. Respondent's ownership share is 6.25%. NMPA pays all operating and maintenance expenses and they are shared based on mileage percentage. Respondent's expenses are reflected in accounts 562 and 570.

Schedule Page: 422 Line No.: 12 Column: h

Various

Schedule Page: 422 Line No.: 17 Column: d

Various

Schedule Page: 422 Line No.: 17 Column: h

Various

Schedule Page: 422 Line No.: 20 Column: j

Cost by transmission line not available. Total costs for all transmission lines.

Schedule Page: 422 Line No.: 20 Column: k

Cost by transmission line not available. Total costs for all transmission lines.

Schedule Page: 422 Line No.: 20 Column: l

Cost by transmission line not available. Total costs for all transmission lines.

Schedule Page: 422 Line No.: 20 Column: m

Cost by transmission line not available. Total costs for all transmission lines.

Schedule Page: 422 Line No.: 20 Column: n

Cost by transmission line not available. Total costs for all transmission lines.

Schedule Page: 422 Line No.: 20 Column: o

Cost by transmission line not available. Total costs for all transmission lines.

Schedule Page: 422 Line No.: 20 Column: p

Cost by transmission line not available. Total costs for all transmission lines.

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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of <u>2011/Q4</u>
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TRANSMISSION LINES ADDED DURING YEAR

- Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
- Provide separate subheadings for overhead and under-ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (f) to (g), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	JCT TL39	KRCM 115 Tap Line	-0.30	Retired		1	1
2	Ellendale	Wishek	0.39	SP	20.00	1	1
3			-0.39	Retired			
4	Cabin Creek	Butte Pipeline	0.20	SP	28.00	1	1
5			-0.09	Retired			
6	Beulah	Hazen	0.65	SP	21.00	1	1
7			-0.64	Retired			
8	Heskett Station	WAPA 230 KV	0.18	H-Frame	15.00	1	1
9			-0.10	Retired			
10	South Mandan	Sweet Ave, Bismarck	0.01	SP	13.00	1	1
11							
12							
13							
14							
15							
16							
17							
18							
19							
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21							
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34							
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40							
41							
42							
43							
44	TOTAL		-0.09		97.00	6	6

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST				Line No.	
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)		Total (p)
336.4	MCMACSR		115				6,228	6,228	1
2/0	ACSR	T-46-A	42	1,758	50,255	33,504		85,517	2
							61	61	3
4/0	ACSR	T-60-A	57		24,192	28,721		52,913	4
									5
4/0	ACSR	T-46-A	42	2,211	70,798	46,646		119,655	6
							6,000	6,000	7
954	MCMACSR	T-230-A	230		263,267	75,015		338,282	8
							12,960	12,960	9
336.4	MCMACSR	T-115-PA	115		66,660	129,834	-1,793	194,701	10
									11
									12
									13
									14
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				3,969	475,172	313,720	23,456	816,317	44

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 424	Line No.: 2	Column: j	
86" x 86" x 86" Triangular			
Schedule Page: 424	Line No.: 2	Column: k	
46KV Design			
Schedule Page: 424	Line No.: 4	Column: j	
86" x 86" x 86" Triangular			
Schedule Page: 424	Line No.: 4	Column: k	
60KV Design			
Schedule Page: 424	Line No.: 6	Column: j	
86" x 86" x 86" Triangular			
Schedule Page: 424	Line No.: 6	Column: k	
46KV Design			
Schedule Page: 424	Line No.: 8	Column: j	
19' 6" x 19' 6" Horizontal			
Schedule Page: 424	Line No.: 10	Column: j	
11' x 11' x 10' Vertical			

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Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Big Stone, SD (22.7% Interest)	Trans at Plant	230.00	22.90	
2	Big Stone, SD (22.7% Interest)	Trans at Plant	230.00	118.00	13.80
3	Cedar Hills, ND	Trans at Plant	58.20	34.50	
4	Coyote Station, ND (25% Interest)	Trans at Plant	345.00	22.90	
5	Coyote Station, ND (25% Interest)	Trans at Plant	115.00	13.80	
6	Coyote Station, ND	Trans at Plant	345.00	115.00	13.80
7	Diamond Willow, MT	Trans at Plant	57.20	34.50	
8	Glen Ullin, ND (Ormat)	Trans at Plant	41.60	12.47	
9	Glendive, MT (Turbine)	Trans at Plant	115.00	60.00	
10	Glendive, MT (Turbine)	Trans at Plant	115.00	13.20	
11	Glendive, MT (Turbine)	Trans at Plant	115.00	60.00	
12	Heskett Station, ND	Trans at Plant	230.00	115.00	13.80
13	Heskett Station, ND	Trans at Plant	116.00	13.20	
14	Heskett Station, ND	Trans at Plant	115.00	13.20	
15	Heskett Station, ND	Trans at Plant	115.00	41.60	
16	Heskett Station, ND	Trans at Plant	115.00	69.00	
17	Lewis & Clark Station, MT	Trans at Plant	115.00	13.80	
18	Lewis & Clark Station, MT	Trans at Plant	57.00	13.80	
19	Lewis & Clark Station, MT	Trans at Plant	115.00	60.00	
20	Miles City, MT (Turbine)	Trans at Plant	57.00	13.80	
21	Substations under 10,000 KVA (2)				
22	SUBTOTAL		2802.00	860.67	41.40
23					
24	Baker, MT	Trans Unattended	115.00	57.00	
25	Baker, MT	Trans Unattended	230.00	115.00	14.10
26	Baker, MT Cabin Creek Jct	Trans Unattended	115.00	57.20	
27	Beulah Jct., ND	Trans Unattended	115.00	41.60	
28	Bismarck Jct., ND (E. Bismarck)	Trans Unattended	115.00	41.60	
29	Bismarck, ND NW	Trans Unattended	115.00	41.60	
30	Bismarck, ND Sweet Ave.	Trans Unattended	115.00	41.60	
31	Bowdle Jct., SD	Trans Unattended	115.00	41.60	
32	Dickinson, ND	Trans Unattended	115.00	41.60	
33	Dunning, ND	Trans Unattended	115.00	57.00	
34	Ellendale Jct., ND	Trans Unattended	230.00	115.00	13.80
35	Ellendale Jct., ND	Trans Unattended	115.00	41.60	
36	Elgin, ND	Trans Unattended	69.00	41.60	
37	Gascoyne Jct., ND	Trans Unattended	115.00	41.60	
38	Glenham Jct., SD	Trans Unattended	230.00	115.00	41.60
39	Glenham Jct., SD	Trans Unattended	230.00	115.00	41.60
40	Halliday, ND	Trans Unattended	115.00	41.60	

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	
105	1					1
52	1					2
28	2					3
120	1					4
21	1					5
168	1					6
28	2					7
11	1					8
50	1					9
40	1					10
37	1					11
112	1					12
94	1	1				13
28	1					14
34	1					15
45	1			1		4 16
53	1					17
20	1					18
47	1					19
31	1					20
10	4					21
1134	26	1		1	4	22
						23
40	1			1	4	24
112	1					25
83	1					26
45	1					27
80	2			2	8	28
47	1			1	4	29
56	1					30
20	1			1	2	31
75	1					32
20	1			1	2	33
100	1					34
37	1					35
15	1					36
11	1			1	1	37
30	1			1	3	38
56	1					39
20	1			1	2	40

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SUBSTATIONS

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Hettinger Jct., ND	Trans Unattended	115.00	41.60	
2	Hettinger Jct., ND	Trans Unattended	230.00	115.00	14.10
3	Kenmare Jct., ND	Trans Unattended	115.00	57.00	
4	Linton Jct., ND	Trans Unattended	115.00	41.60	
5	Mandan, ND 230	Trans Unattended	230.00	115.00	13.80
6	McIntosh Jct., SD	Trans Unattended	115.00	41.60	
7	Miles City, MT	Trans Unattended	230.00	115.00	13.80
8	Miles City, MT	Trans Unattended	115.00	57.00	13.80
9	New England, ND	Trans Unattended	115.00	41.60	
10	Plentywood Jct., MT	Trans Unattended	115.00	57.00	
11	Poplar Jct., MT	Trans Unattended	115.00	57.00	
12	Rosebud Creek, MT	Trans Unattended	230.00	60.00	13.80
13	Sheridan, WY (PP&L)	Trans Unattended	230.00	41.60	
14	Sheridan, WY (PP&L)	Trans Unattended	230.00	41.60	
15	Stanley Jct., ND	Trans Unattended	115.00	69.00	12.47
16	Tioga, ND	Trans Unattended	230.00	115.00	
17	Tioga Jct., ND	Trans Unattended	115.00	57.00	
18	Wishek Jct., ND	Trans Unattended	115.00	41.60	
19	Wishek Jct., ND	Trans Unattended	230.00	115.00	13.80
20	Substations under 10,000 KVA (7)				
21	SUBTOTAL		5474.00	2327.40	206.67
22					
23	Substations under 10,000 KVA Distrib at Plant (2)				
24	SUBTOTAL				
25					
26	Beulah, ND W. M. Port 1	Distrib Unattended	115.00	6.90	
27	Beulah, ND W. M. Port 2	Distrib Unattended	115.00	6.90	
28	Baker, MT Lookout Butte	Distrib Unattended	57.20	12.47	
29	Bismarck, ND 6th St	Distrib Unattended	41.60	12.47	
30	Bismarck, ND Kirkwood	Distrib Unattended	115.00	12.47	
31	Bismarck, ND SE Expressway	Distrib Unattended	115.00	12.47	
32	Bismarck, ND NW (Century)	Distrib Unattended	115.00	12.47	
33	Bismarck, ND NE	Distrib Unattended	115.00	12.47	
34	Bismarck, ND Front Ave	Distrib Unattended	115.00	12.47	
35	Bismarck, ND Front Ave	Distrib Unattended	115.00	12.50	
36	Bismarck, ND Turnpike	Distrib Unattended	115.00	12.47	
37	Bismarck, ND South 9th St.	Distrib Unattended	41.60	12.50	
38	Bismarck, ND East Loop Sub	Distrib Unattended	41.60	12.47	
39	Dickinson, ND NW	Distrib Unattended	41.60	12.47	
40	Dickinson, ND East Broadway	Distrib Unattended	41.60	12.47	

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
25	1			1	3	1
112	1					2
30	1			1	3	3
15	1			1	2	4
224	1					5
13	1			1	1	6
100	1					7
56	1					8
22	1			1	2	9
47	1					10
37	1					11
40	1					12
37	1					13
20	1					14
20	1			1	2	15
112	1					16
30	1			1	3	17
30	1			1	3	18
112	1					19
17	13	1				20
1946	50	1		17	45	21
						22
	1			1	1	23
	1			1	1	24
						25
10	1					26
11	1					27
11	1					28
14	1			3	2	29
28	1			6	2	30
53	2			9	4	31
22	1			3	2	32
28	1			6	2	33
47	1			15	3	34
47	1			12	4	35
28	1			9	3	36
11	1			3	1	37
14	1			3	1	38
14	1			3	1	39
14	1			3	1	40

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SUBSTATIONS

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Dickinson, ND NE	Distrib Unattended	41.60	12.47	
2	Dickinson, ND	Distrib Unattended	41.60	12.47	
3	Glendive, MT	Distrib Unattended	57.00	12.47	
4	Glendive, MT West	Distrib Unattended	57.00	12.47	
5	Glendive, MT	Distrib Unattended	57.00	12.47	
6	Mandan, ND Collins Ave	Distrib Unattended	41.60	12.47	
7	Mandan, ND Midway	Distrib Unattended	41.60	12.47	
8	Mandan, ND Amoco Refinery	Distrib Unattended	41.60	4.16	
9	Mandan, ND	Distrib Unattended	115.00	12.47	
10	Miles City, MT-East	Distrib Unattended	57.00	12.47	
11	Miles City, MT	Distrib Unattended	57.00	12.47	
12	Mobridge, SD	Distrib Unattended	115.00	12.47	
13	Sheridan, WY Broadway	Distrib Unattended	41.60	12.47	
14	Sheridan, WY Broadway	Distrib Unattended	41.60	12.47	
15	Sheridan, WY SW	Distrib Unattended	230.00	41.60	
16	Sheridan, WY Highview	Distrib Unattended	41.60	12.47	
17	Sheridan, WY Sugarland	Distrib Unattended	41.60	12.47	
18	Sheridan, WY West	Distrib Unattended	41.60	12.47	
19	Sidney, MT	Distrib Unattended	57.00	12.47	
20	Sidney, MT	Distrib Unattended	57.00	12.47	
21	Williston, ND East Broadway	Distrib Unattended	57.00	12.47	
22	Williston, ND NE	Distrib Unattended	57.00	12.47	
23	Williston, ND NW North	Distrib Unattended	57.00	12.47	
24	Williston, ND Sabin Metals	Distrib Unattended	57.00	13.80	
25	Substations Under 10,000 KVA (233)				
26	SUBTOTAL		2803.20	497.40	
27					
28	GRAND TOTAL		11079.20	3685.47	248.07
29					
30					
31	FOOTNOTES				
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent MDU Resources Group, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of 2011/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	
14	1			3	1	1
11	1			3	1	2
14	1			3	1	3
11	1			3	1	4
11	1			3	1	5
14	1			3	1	6
14	1			6	2	7
11	1					8
50	2			9	3	9
10	1			6	2	10
11	1			3	1	11
22	1			9	1	12
11	1			3	2	13
13	1			3	1	14
75	1					15
11	1			3	1	16
11	1			3	2	17
11	1			3	2	18
11	1			3	1	19
14	1			3	1	20
10	1			3	1	21
10	1			3	1	22
14	1			3	1	23
10	1					24
502	404			426	47	25
1248	445			582	101	26
						27
4328	522	2		601	151	28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 426 Line No.: 28 Column: a See (A) and (B) of footnotes
Schedule Page: 426 Line No.: 29 Column: a See (B) and (C) of footnotes
Schedule Page: 426 Line No.: 33 Column: a See (J) and (K) of footnotes
Schedule Page: 426 Line No.: 36 Column: a See (N) and (O) of footnotes
Schedule Page: 426 Line No.: 40 Column: a See (H) and (I) of footnotes
Schedule Page: 426.1 Line No.: 7 Column: a See (P) of footnotes
Schedule Page: 426.1 Line No.: 8 Column: a See (L) and (M) of footnotes
Schedule Page: 426.1 Line No.: 12 Column: a See (D) and (E) of footnotes
Schedule Page: 426.1 Line No.: 19 Column: a See (F) and (G) of footnotes
Schedule Page: 426.2 Line No.: 31 Column: a

FOOTNOTES:

- (A) Capital Electric Cooperative, Inc. has a 25 MVA capacity interest.
- (B) Capital Electric Cooperative, Inc. pays for all expenses relating to equipment owned by them and is not an associated company.
- (C) Capital Electric Cooperative, Inc. has a 10 MVA capacity interest.
- (D) Mid-Yellowstone Electric Cooperative, Inc. has a 14,911 KVA capacity interest.
- (E) Respondent and Mid-Yellowstone Electric Cooperative, Inc. shared the facilities construction cost and available capacity in the respective percentages of 63% and 37%. All maintenance and operating expenses are shared in the same percentage. The Respondent's expenses are reflected in accounts 570 and 562. Mid-Yellowstone Electric Cooperative, Inc. is not an associated company.
- (F) KEM Electric Cooperative, Inc. has a 59,136 KVA capacity interest.
- (G) KEM Electric Cooperative, Inc. pays for all expenses relating to equipment owned by them and is not an associated company.
- (H) Upper Missouri G&T Electric Cooperative, Inc. has a 15,300 KVA capacity interest.
- (I) Upper Missouri G&T Electric Cooperative, Inc. pays for all expenses relating to equipment owned by them and is not an associated company.
- (J) Central Power and Upper Missouri G&T Electric Cooperative, Inc. have a 9,420 KVA capacity interest.
- (K) Central Power pays for all expenses relating to equipment owned by them and is not an associated company. Respondent pays for all expenses relating to transformer and regulator equipment owned by Respondent.
- (L) Western Area Power Administration (WAPA) has a 9,500 KVA capacity interest.
- (M) WAPA does routine maintenance at their expense and major repairs are allocated 19% WAPA and 81% Respondent.
- (N) Mor-Gran-Sou Electric Cooperative has a 4,560 KVA capacity interest.
- (O) Mor-Gran-Sou Electric Cooperative pays for all expenses relating to equipment owned by them and is not an associated company.
- (P) WAPA has a 25,000 KVA capacity interest.

Name of Respondent MDU Resources Group, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report End of _____ 2011/Q4
TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES					
<p>1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.</p> <p>2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".</p> <p>3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.</p>					
Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)	
1	Non-power Goods or Services Provided by Affiliated				
2	Insurance	CHCC	401,165,184,228	2,598,835	
3	Constructed/Purchased Assets	CHCC	107	14,023	
4	Cost of Service	CHCC	401	869,364	
5	Corporate Air	CHCC	401,402,107,146	418,079	
6	Subcontract	WBIH		260,801	
7	Cost of Service and Utility Group Projects	MDU EC	401	27,533	
8					
9	Total			4,188,635	
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20	Non-power Goods or Services Provided for Affiliate				
21	Cost of Service for Facilities Used	KRC	454,493	334,608	
22	Cost of Service for Facilities Used	MDU CSG	454,493	98,843	
23	Cost of Service for Facilities Used	MDU EC	454,493	1,515,157	
24	Cost of Service for Facilities Used	WBIH	454,493	225,943	
25					
26	Total			2,174,551	
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					

Name of Respondent MDU Resources Group, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2011	Year/Period of Report 2011/Q4
FOOTNOTE DATA			

Schedule Page: 429 Line No.: 2 Column: b

Company Abbreviations used in Column (b)

CHCC Centennial Holdings Capital LLC
KRC Knife River Corporation
MDU CSG MDU Construction Services Group, Inc.
MDU EC MDU Energy Capital, LLC
WBIH WBI Holdings, Inc.

Schedule Page: 429 Line No.: 6 Column: c

107,146,184,401,402,417

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Unamortized	
debt discount	256-257
debt expense	256-257
premium on debt	256-257
Unrecovered Plant and Regulatory Study Costs	230