

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**MDU/ Burke-Divide Electric Cooperative  
City of Kenmare  
Service Area Agreement**

**Case No. PU-12-231**

**Montana-Dakota Utilities Co., a Division of MDU  
Resources Group, Inc.  
City of Kenmare- Service Area Agreement  
Public Convenience & Necessity**

**Case No. PU-12-232**

**AFFIDAVIT OF SERVICE BY CERTIFIED & REGULAR MAIL**

STATE OF NORTH DAKOTA  
COUNTY OF BURLEIGH

**Cara DeSaye** deposes and says that:

She is over the age of 18 years and not a party to this action, and, on the 14<sup>th</sup> day of **August, 2012**, she deposited in the United States Mail, at Bismarck, North Dakota, **one** envelope with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

**Order**

and an original of:

**Certificate of Public Convenience and Necessity Certificate Number 5482**

The envelopes were addressed as follows:

Tamie Aberle  
Montana-Dakota Utilities Co.  
400 North Fourth Street  
Bismarck ND 58501

**Cert. No. 7011 3500 0003 4574 5292**

**Cara DeSaye** further deposes and says that on the 14<sup>th</sup> day of **August, 2012**, she deposited in the United States Mail, Bismarck, North Dakota, **three** envelopes by regular mail, with postage fully prepaid, securely sealed, containing a photocopy of the same:

Daniel Kuntz  
MDU Resources Group, Inc.  
PO Box 5650  
Bismarck ND 58502-5650

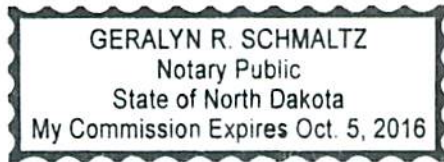
Debra Hoffarth  
Pringle & Herigstad, P.C.  
PO Box 1000  
Minot ND 58702-1000

Jason Brothen  
Burke-Divide Electric Cooperative  
PO Box 6  
Columbus ND 58727

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me  
this 14<sup>th</sup> day of August, 2012.

SEAL



*Cara DeSage*

*Geralyn R. Schmaltz*  
Notary Public

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Montana-Dakota Utilities Co., a Division of  
MDU Resources Group, Inc./Burke-Divide  
Electric Cooperative, Inc.  
City of Kenmare  
Service Area Agreement**

**Case No. PU-12-231**

**Montana-Dakota Utilities Co., a Division of  
MDU Resources Group, Inc.  
City of Kenmare – Service Area Agreement  
Public Convenience & Necessity**

**Case No. PU-12-232**

**ORDER APPROVING ELECTRIC SERVICE AREA AGREEMENT**

**August 13, 2012**

On May 25, 2012, Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (MDU). and Burke Divide Electric Cooperative, Inc. (Burke-Divide) filed a joint application for approval of a Service Area Agreement to establish service areas and designate service locations to be served by MDU and Burke-Divide within and around the City of Kenmare, North Dakota. MDU further requests issuance of a certificate of public convenience and necessity authorizing it to extend service to locations within the MDU service area set forth in the agreement.

On June 20, 2012 the Commission issued a Notice of Filing, Notice of Informal Hearing and Notice of Opportunity for Hearing, which provided until July 31, 2012 for receiving written comments or hearing requests. No response has been received. The notice identified the issues to be considered in this proceeding as whether the Service Area Agreement complies with section 49-03-06 of the North Dakota Century Code (N.D.C.C.) and whether the approval of the Service Area Agreement and resulting certificate issuance are compatible with the public interest.

On August 1, 2012 the Commission discussed the issues with Commission staff and the applicants at an informal hearing. The applicants contend that the agreement will:

1. Avoid misunderstanding and disagreement over areas to be served by each party;
2. Accomplish the legislative intent of N.D.C.C. section 49-03-06 to encourage harmony and operational efficiency among electric providers, promote safety, discourage unreasonable duplication of electric facilities, assure adequate and reliable electric service and provide antitrust immunity to the electric providers; and
3. Provide both parties with equitable participation in the provision of electric distribution service within undeveloped areas annexed to the City of Kenmare during the term of the agreement.

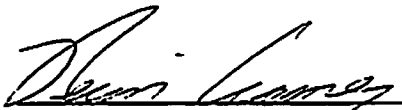
Having considered this matter the Commission finds that the Service Area Agreement complies with N.D.C.C. section 49-03-06 and that approval of the Service Area Agreement and resulting certificate issuance are compatible with the public interest. Therefore, the Commission issues the following:

**Order**


The Commission Orders:

1. The electric service area agreement filed jointly by Montana-Dakota Utilities Co. and Burke-Divide Electric Cooperative is APPROVED.
2. Montana Dakota Utilities Co. is issued Certificate of Public Convenience and Necessity No. 5482 authorizing the provision of electric service to customers within the agreed upon service area around the city of Kenmare.

**PUBLIC SERVICE COMMISSION**



**Kevin Cramer  
Commissioner**



**Brian P. Kalk  
Chairman**



**Bonny M. Fetch  
Commissioner**

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**PUBLIC SERVICE COMMISSION  
STATE OF NORTH DAKOTA**

**Certificate of Public Convenience and Necessity  
Certificate Number 5482**

*This is to certify that public convenience and necessity require, and permission is granted for Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., to serve customers in areas around the city of Kenmare, North Dakota as established in an electric service area agreement negotiated with Burke-Divide Electric Cooperative, Inc. and approved by the Commission in Case No. PU-12-231.*

*This certificate is issued in accordance with the Order of this Commission dated August 13, 2012 in Case Nos. PU-12-231 and PU-123-232, and is subject to the conditions and limitations noted in the Order.*

*This certificate is conditioned upon Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. securing the franchise or other authority of the proper municipal or other public authority for the exercise of these rights and privileges.*

*Bismarck, North Dakota, August 13, 2012.*

**ATTEST:**

**PUBLIC SERVICE COMMISSION**

  
Executive Secretary

  
Commissioner