

ORIGINAL



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

July 31, 2012

RECEIVED

JUL 31 2012

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

PUBLIC SERVICE COMMISSION

Re: Case No. PU-12- 361
Revised 2012-2013
Avoided Costs Update

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group Inc., filed on June 20, 2012 to revise the Occasional Power Purchase Non-Time Differentiated Rate 95 and Parallel Generation Peaking Facility Purchase Rate 96 Time Differentiated tariff to reflect the updated costs associated with the rates.

An error has been discovered in the energy payment applicable under Occasional Power Purchase Non-Time Differentiated Rate 95 (10th Revised Sheet No. 44 and 8th Revised Sheet No. 44.1). The correct value for the energy payment should be 2.978¢ per Kwh. Also attached is a Revised Attachment A, Page 1 of 3 supporting this change.

Please substitute the attached revised Rate 95 tariff sheets for those submitted on June 20, 2012.

The original and seven (7) copies of this Letter of Transmittal and tariffs have been provided to the North Dakota Public Service Commission.

Sincerely,

Tamie A. Aberle
Regulatory Affairs Manager

Attachments
cc: D. Kuntz

3 PU-12-361 Filed: 7/31/2012 Pages: 7
Revised rate 95 and 96 - Metering Change



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street

Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4
11th Revised Sheet No. 44
Canceling 10th Revised Sheet No. 44

OCCASIONAL POWER PURCHASE Rate 95 NON-TIME DIFFERENTIATED

Page 1 of 2

Availability:

To any qualifying cogeneration and small power production facilities for the purpose of generating occasional electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities (QF) as defined under 18 CFR, Part 292.

Rate:

Metering charge for single phase service: \$ 0.05 per day
With instrument transformers: \$ 0.12 per day

Metering charge for three phase service: \$ 0.13 per day
With instrument transformers: \$ 0.22 per day

Energy delivered to and accepted by Company by a QF shall be paid for by Company in accordance with one of the following two options, elected by the QF:

1. Simultaneous Purchase and Sale:

Energy sales to QF - Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, small and general electric service, etc.) that is currently on file with the Commission.

Energy purchases by Company:

Energy Payment = 2.978¢ per Kwh

2. Net Billing:

Energy generated will be compensated on a net billing basis. The Company will install a meter to measure the energy generated by the QF. The Company will also install a meter to measure the energy consumed by the QF. Metered generation will be subtracted from the metered consumption for the billing period.

Date Filed: July 31, 2012

Effective Date:

Issued By: Tamie A. Aberle
Regulatory Affairs Manager

Case No.:



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4
9th Revised Sheet No. 44.1
Canceling 8th Revised Sheet No. 44.1

OCCASIONAL POWER PURCHASE Rate 95 NON-TIME DIFFERENTIATED

Page 2 of 2

If metered generation is less than metered consumption, the QF will be billed the applicable retail rate. If metered generation is greater than the metered consumption, the QF will be paid for each Kwh an amount equal to:
2.978¢ per Kwh

General Terms and Conditions:

1. Change of Rates: This schedule shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.
4. A written contract with the Company shall be signed stipulating the terms and conditions of the interconnection and sale of the electricity to the Company. The term of the contract hereunder shall be at least one year but less than five years.
5. In order to qualify for the net billing option, the generating equipment and the load of the facility must be located at the same "physical site". "Physical site" shall mean on the same tract of land and the generator output must be physically connected to the load service entrance.
6. For general terms and conditions covering QF's, see Rate 140.
7. All services provided by the Company under this and all other schedules are governed by the rules and regulations approved by the North Dakota Public Service Commission. Rates charged hereunder may be modified by Company at any time by making a unilateral rate application with the North Dakota Public Service Commission or its successor. The new rates shall be effective upon approval by the Commission.

Date Filed: July 31, 2012

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Regulatory Affairs Manager

Case No.:

Tariffs Reflecting Proposed Changes



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4
10th Revised Sheet No. 44
Canceling 9th Revised Sheet No. 44

OCCASIONAL POWER PURCHASE Rate 95 NON-TIME DIFFERENTIATED

Page 1 of 2

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Energy purchases by Company:

Energy Payment = ~~2.8732~~.978¢ per Kwh

2. Net Billing:

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Case No.:



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4
8th Revised Sheet No. 44.1
Canceling 7th Revised Sheet No. 44.1

OCCASIONAL POWER PURCHASE Rate 95 NON-TIME DIFFERENTIATED

Page 2 of 2

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Case No.:

Montana-Dakota Utilities Co.

North Dakota Lambda
July 2012 through June 2013

Month	Year	Lambda		
		On-Peak \$/MWh	Off-Peak \$/MWh	Total \$/MWh
July	2012	\$31.79	\$30.31	\$30.66
August	2012	31.79	29.39	29.98
September	2012	25.69	25.22	25.33
October	2012		23.78	23.78
November	2012		24.99	24.99
December	2012		37.54	37.54
January	2013		36.68	36.68
February	2013		40.91	40.91
March	2013		26.35	26.35
April	2013		26.47	26.47
May	2013		26.31	26.31
June	2013	33.38	26.92	28.35
Average		\$30.66	\$29.57	\$29.78