

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. Case No. PU-13-332
Advance Determination of Prudence – Lewis & Clark
Generating Station
Application

NOTICE OF OPPORTUNITY FOR HEARING

July 10, 2013

On June 14, 2013, Montana-Dakota Utilities (MDU) filed an Application for an Advance Determination of Prudence for the Lewis & Clark Station Filterable Particulate Matter Pollution Controls Project. The Lewis & Clark Station is an existing single-unit, 50-MW lignite-fired facility located near Sidney, Montana that has been in operation since October 1, 1958. The Lewis & Clark Station is an integrated system resource supplying approximately twelve percent of the integrated system energy requirements in 2012 and representing nine percent of the required capacity credits for the integrated system. Approximately 60 percent of the customers served by MDU reside in the state of North Dakota and are supplied electricity from the Company's integrated system.

The Project is required to meet the non-mercury metal emission limits in the U.S. Environmental Protection Agency's (EPA) final "National Emission Standards for Hazardous Air Pollutants from Coal- and Oil-Fired Electric Utility Steam Generating Units and Standards of Performance for Fossil-Fuel-Fired Electric Utility, Industrial-Commercial-Institutional, and Small Industrial-Commercial-Institutional Steam Generating Units", or Mercury and Air Toxics Standard (MATS) Rule, finalized and published in the Federal Register on February 16, 2012 (77 Fed. Reg. 9304), and effective April 16, 2012. Per the MATS Rule requirements, MDU must demonstrate compliance at the Lewis & Clark Station by April 16, 2015 with the opportunity for a state approved additional year to install control technologies. MDU will be submitting a request to the Montana Department of Environmental Quality for a one-year extension to install the required pollution controls in order that the Project can be completed by the end of 2015.

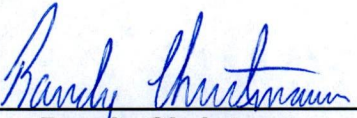
The projected costs for the Project are \$27.7 million with approximately \$19.7 million being allocated to ND. The average ND residential customer consuming 750 KWH per month will see an estimated increase of \$1.40 per month as a result of this Project.

The issue to be determined in this proceeding is whether MDS's Application should be approved.

Those interested are invited to comment on the application in writing. Persons desiring a hearing must file a written request identifying their interest in the proceeding and the reasons for requesting a hearing. **Comments and requests for hearings must be received by August 28, 2013.** If deemed appropriate, the Commission can determine the matter without a hearing.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify the Commission at least 24 hours in advance.

PUBLIC SERVICE COMMISSION



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