

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co., a Division
of MDU Resources Group, Inc.
Natural Gas Service Rate Increase
Application

Case No. PU-13-803

**NOTICE OF INFORMAL HEARING AND
NOTICE OF OPPORTUNITY FOR HEARING
ON SETTLEMENT**

October 24, 2013

On September 18, 2013, Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (MDU) filed an application to increase its rates for natural gas service to provide additional 2014 test year annual revenue of \$6,800,000 or a 6.4% increase over current rates.

On October 9, 2013, the Commission approved MDU's request for an interim rate increase based on the projected 2014 increase request. The interim rate increase of \$4,500,000, or 4.162% over current rates, became effective for natural gas service on and after November 17, 2013. MDU is required to refund interim rate amounts in excess of final rates approved by the Commission, including interest.

On October 18, 2013, MDU and Commission Advocacy Staff (Staff) entered into a Settlement Agreement. On October 23, 2013, MDU and Staff withdrew the October 18 Settlement Agreement and filed a new Settlement Agreement, which they assert will resolve the expense, revenue and return issues in this proceeding. The Settlement Agreement does not address or resolve outstanding rate design issues in this case and those issues specifically reserved by MDU and Commission Advocacy Staff for hearing or further negotiation.

The issue to be considered in this matter is whether the Settlement Agreement should be approved and adopted by the Commission for the resolution of the specific issues stated in the Settlement Agreement. Those interested are invited to comment 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 close of business on December 12, 2013.**

An **informal hearing** of this matter is scheduled to begin on **November 13, 2013, at 1:30 p.m. CST** in the Commission Hearing Room on the 12th floor of the State Capitol. At the informal hearing, the Commission will discuss this matter with the parties and interested members of the public.

The Commission may make a decision on the Settlement Agreement without a hearing. If the Commission does not approve and adopt the Settlement Agreement in full resolution of the issues identified in the Settlement Agreement, further Commission proceedings may be required.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or 877-245-6685 (toll free in North Dakota), 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



Randy Christmann
Commissioner



Brian P. Kalk
Chairman



Julie Fedorchak
Commissioner