



UTILITIES CO.
A Division of MDU Resources Group, Inc.

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

June 17, 2014

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

Re: Fuel and Purchased Power Adjustment
Case No. PU-14-__

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith respectfully files an original and two (2) copies of its fuel and purchased power adjustment (F&PP) pursuant to its Rate 58.

	<u>Primary</u>	<u>Secondary</u>
Base Fuel	\$0.02024	\$0.02087
Fuel and Purchased Power Adjustment	0.00296	0.00327
Total Adjustment billed under Rate 58	<u>\$0.02320</u>	<u>\$0.02414</u>

Exhibit A is 26th Revised Sheet No. 42.2 showing the proposed Fuel and Purchased Power Adjustment to be effective with service rendered on and after July 1, 2014.

Exhibit B, page 1 summarizes the fuel and power adjustment calculated pursuant to the terms of Rate 58 that will apply during the month of July 2014. Pages 2-4 show the calculation of the adjustment for July 2014.

Montana-Dakota respectfully requests a deviation from the terms of Paragraph No. 4 of its Rate 58 wherein the Surcharge Adjustment change should have been submitted to be effective April 1. The Company inadvertently omitted this adjustment change from the F&PP submitted on March 13, 2014 to be effective April 1, 2014. Montana-Dakota is now requesting to amortize the over recovered balance over a nine month period starting July 1, 2014.

Exhibit C shows the calculation of the surcharge adjustment that will be applicable to Montana-Dakota's customers from July 1, 2014 through March 31, 2015. The total surcharge is (\$0.00071) per Kwh for primary service customers and (\$0.00084) per Kwh for secondary service customers. This is a decrease of 0.179 cents per Kwh for primary service customers and a decrease of 0.176 cents per Kwh for secondary service customers respectively, from the Surcharge Adjustment effective April 1, 2013.

The net effect of this F&PP adjustment is a decrease of 0.250 cents per Kwh for primary service customers and a decrease of 0.231 cents per Kwh for secondary service customers for service rendered in the month of July 2014. All of North Dakota's electric customers will be affected by this proposal. There were 86,689 electric customers in North Dakota as of May 31, 2014.

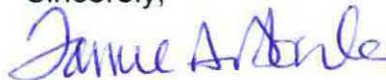
The decrease in the F&PP for July is caused by the fact that the higher cost month of January, used in the June calculation, was replaced by the lower cost month of May.

In response to Paragraph No. 11 of NDAC Section 69-09-02-39, Montana-Dakota purchases natural gas used for electric generation from its own gas operations or transports natural gas purchased from others under the applicable gas tariff approved and on file with the Commission in the state where the purchase is made or the transportation occurs.

Montana-Dakota submitted a check in the amount of \$600.00 on December 13, 2013. This payment will cover the filing fee associated with this monthly FCA filing in accordance with North Dakota Century Code Section 49-05-05.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

Sincerely,



Tamie A. Aberle
Director of Regulatory Affairs

Attachment

Proposed Fuel and Purchased Power Adjustment



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

26th Revised Sheet No. 42.2

Canceling 25th Revised Sheet No. 42.2

FUEL AND PURCHASED POWER ADJUSTMENT Rate 58

Page 3 of 3

2. Refunds from supplier(s) and market operators with respect to fuel and purchased power costs.
3. Carrying charges or credits at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.
4. The balance in the Deferred Fuel Cost Account shall be decreased each month by the amount of the Surcharge Adjustment multiplied by the Kwh sales for the month. The amount amortized shall be applied pro rata between the Deferred Fuel Cost Account and the interest balance.

5. Manner of Filing:

The Company shall file a monthly statement showing the calculation of the Fuel and Purchased Power Adjustment with the Commission prior to implementing the monthly adjustment. The adjustment in rates shall be effective with service rendered on and after the first day of each month, unless the Commission shall otherwise order.

6. Fuel and Purchased Power Adjustment:

	<u>Primary</u>	<u>Secondary</u>
Base Fuel	2.024¢	2.087¢
Fuel and Purchased Power Adjustment	0.296	0.327
Total FPPA	2.320¢	2.414¢

Date Filed: June 17, 2014

Effective Date:

Issued By: Tamie A. Aberle
Director- Regulatory Affairs

Case No.:

**MONTANA-DAKOTA UTILITIES CO.
FUEL COST ADJUSTMENT - NORTH DAKOTA
JULY 2014 BILLING ADJUSTMENT SUMMARY**

	<u>Primary</u>	<u>Secondary</u>
Current Adjustment (Page 2)	\$0.00367	\$0.00411
Prior Adjustment	0.00438	0.00466
Change in Current Adjustment	<u>(\$0.00071)</u>	<u>(\$0.00055)</u>
 <u>Surcharge Adjustment:</u>		
Current Adjustment (Exhibit 3)	(0.00071)	(0.00084)
Prior Adjustment	0.00108	0.00092
Change in Surcharge Adjustment	<u>(0.00179)</u>	<u>(0.00176)</u>
 Total Change in Fuel and Purchased Power	 <u><u>(\$0.00250)</u></u>	 <u><u>(\$0.00231)</u></u>
 Base Cost of Fuel 1/	 \$0.02024	 \$0.02087
Current Adjustment	0.00367	0.00411
Surcharge Adjustment	(0.00071)	(0.00084)
Total Adjustment billed under Rate 58	<u><u>\$0.02320</u></u>	<u><u>\$0.02414</u></u>

1/ Established in Case No. PU-10-124.

MONTANA-DAKOTA UTILITIES CO.
FUEL AND PURCHASED POWER ADJUSTMENT - NORTH DAKOTA
JULY 2014

	<u>Total 1/</u>	<u>Allocation to 2/ North Dakota</u>	<u>Allocation to 3/</u>	
			<u>Primary</u>	<u>Secondary</u>
Fuel & Purchased Power Costs				
Account 501 and 547	\$15,971,520	\$10,991,827	\$1,409,050	\$9,582,777
Account 555 Energy	8,264,491	5,687,740	729,116	4,958,624
Account 555 Demand 4/	1,485,382	1,072,861	74,564	998,297
Account 575 Market Admin. 4/	133,705	92,018	11,796	80,222
 Total Fuel & Purchased Power	 \$25,855,098	 \$17,844,446	 \$2,224,526	 \$15,619,920
 Fuel Costs - Wholesale sales	 275,443	 189,564	 24,300	 165,264
 System Costs	 \$25,579,655	 \$17,654,882	 \$2,200,226	 \$15,454,656
Wholesale sales Margin 4/	(111,322)	(76,613)	(9,821)	(66,792)
Revenue from Sale of RECs 5/	(66,674)	(61,103)	(7,833)	(53,270)
 Total Costs - net of margin	 \$25,401,659	 \$17,517,166	 \$2,182,572	 \$15,334,594
 Kwh Retail Sales	 1,024,651,636	 705,179,836	 91,290,525	 613,889,311
 Cost Per Kwh		 \$0.02484	 \$0.02391	 \$0.02498
 Base Cost of Fuel			 0.02024	 0.02087
 Current Adjustment			 \$0.00367	 \$0.00411

1/ Page 3.

2/ Energy allocated on Kwh sales and demand is allocated on Allocation Factor No. 15, Integrated System peak demand.

3/ Energy is allocated on Kwh sales at generation and demand is allocated on class Allocation Factor No. 2, Average and Excess Demand.

4/ Authorized in Case No. PU-10-124.

5/ Allocated to North Dakota based on REC sales by unit and allocated between primary service and secondary service based on Kwh sales at generation.

MONTANA-DAKOTA UTILITIES CO.
FUEL AND PURCHASED POWER TRACKING ADJUSTMENT - INTEGRATED SYSTEM
JULY 2014

	2014				Total
	February	March	April	May	
Fuel & Purchased Power Costs					
Account 151 and 547	\$4,381,224	\$4,281,448	\$3,639,237	\$3,669,611	\$15,971,520
Account 555 Energy 1/	3,337,088	2,522,525	1,142,627	1,262,251	8,264,491
Account 555 Demand 2/	371,142	357,042	385,852	371,346	1,485,382
Account 575 Market Admin. 2/	26,936	39,996	36,438	30,335	133,705
Total Fuel & Purchased Power	\$8,116,390	\$7,201,011	\$5,204,154	\$5,333,543	\$25,855,098
Fuel Costs - Sales for Resale	1,577	6,547	46,822	220,497	275,443
System Costs	\$8,114,813	\$7,194,464	\$5,157,332	\$5,113,046	\$25,579,655
Sales for Resale - Margin 2/	(969)	(3,296)	(18,440)	(88,617)	(111,322)
Total Costs - net of margin	\$8,113,844	\$7,191,168	\$5,138,892	\$5,024,429	\$25,468,333
Kwh Retail Sales	269,795,546	285,242,889	254,207,514	215,405,687	1,024,651,636
Cost Per Kwh	\$0.03007	\$0.02521	\$0.02022	\$0.02333	\$0.02486

1/ Page 4.

2/ Authorized in Case No. PU-10-124.

MONTANA-DAKOTA UTILITIES CO.
ACCOUNT 555
JULY 2014 BILLING ADJUSTMENT

Account No.	Account Description	2014			
		February	March	April	May
555.1	Purchased Power				\$2,704
555.111	Day-Ahead Asset Energy	\$4,192,850	\$3,835,331	\$2,422,085	1,335,665
555.114	Real-Time Asset Energy	205,369	321,472	(190,660)	117,438
555.117	Real-Time Excessive Energy	(836)	(124)	266	3
555.118	Real-Time Non-Excessive Energy	(715,980)	(636,639)	(440,332)	(43,945)
555.1211	Day-Ahead Asset Congestion	(457,020)	(976,491)	(918,032)	(141,942)
555.1215	Real-Time Asset Congestion	(3,459)	(78,012)	141,308	(22,087)
555.1219	Real-Time Non-Excessive Congestion	(100,157)	63,203	12,699	(65,880)
555.1230	Revenue Rights Transaction	(151,556)	(79,662)	(79,662)	(79,662)
555.1232	Revenue Rights Infeasible Uplift	8,681	12,544	12,544	12,544
555.1233	Revenue Rights Stage 2 Distribution	(82,103)	(72,196)	(72,458)	(72,528)
555.130	Real-Time Non-Excessive Loss	41,476	50,541	33,657	(7,267)
555.131	Day-Ahead Asset Loss	95,379	(11,279)	(30,857)	85,589
555.135	Real-Time Asset Loss	220,656	(2,985)	136,440	66,018
555.136	Real-Time Distribution of Loss	(75,853)	(30,228)	(13,217)	(19,607)
555.151	Day-Ahead Rev Suff Guarantee Distribution	28,453	55,429	16,564	20,061
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	0	(5,902)	0	(1,342)
555.153	Real-Time Miscellaneous	0	(15,383)	175	(25,683)
555.154	Real-Time Net Inadvertent Distribution	1,782	9,753	(4,223)	(8,969)
555.155	Real-Time Revenue Neutrality Uplift	122,410	65,217	109,462	30,279
555.156	R-T Rev Suff Guarantee First Pass Distribution	78,631	83,348	12,723	5,414
555.157	R-T Rev Suff Guarantee Make Whole Payment	(46,636)	(72,567)	0	0
555.159	Day Ahead Schedule 24	5,001	5,215	4,512	4,236
555.160	Real Time Schedule 24	519	551	621	374
555.162	Real Time Price Volume Make Whole Payment	(32,927)	(15,976)	(15,156)	(7,836)
555.1700	Day-Ahead Regulation Amount	(2,511)	(4,012)	(7,383)	(3,952)
555.1701	Day-Ahead Spinning Reserve Amount	(3,968)	(9,048)	(13,358)	(6,078)
555.1710	Real-Time Net Regulation Adjustment	91	111	(40)	(10)
555.1711	Real-Time Excessive Deficient Energy Deployment	183	34	(12)	23
555.1712	Real-Time Contingency Reserve Deployment				223
555.1713	Real-Time Regulation Amount	(20)	1,662	6,875	(139)
555.1714	Real-Time Spinning Reserve Amount	(17,905)	(2,673)	(4,779)	6,219
555.1716	Real-Time Regulation Cost Distribution	11,097	10,570	7,884	11,385
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	11,288	13,741	9,590	9,641
555.1718	Real-Time Supplemental Reserve Cost Distribution	4,127	6,980	5,390	6,095
555.5	Purchased Power Cogeneration	26	0	1	55,267
Total Account 555 Charges		<u>\$3,337,088</u>	<u>\$2,522,525</u>	<u>\$1,142,627</u>	<u>\$1,262,251</u>

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED FUEL COST ADJUSTMENT
APPLICABLE TO NORTH DAKOTA - PRIMARY
TO BE EFFECTIVE JULY 1, 2014 THROUGH MARCH 31, 2015**

(Over)/under recovered electric costs @ May 31, 2014 (\$127,892)

Less: Projected recovery from rates already established

	Volume	Rate	Amount
June	22,392,600	\$0.00108	\$24,184
	22,392,600		\$24,184

Additional recovery required (\$152,076)

Projected sales volumes (Kwh)

July 2014	25,741,800
August	26,741,000
September	23,268,900
October	24,679,700
November	23,059,200
December	24,727,700
January 2015	22,193,200
February	21,685,700
March	20,677,500

Total 212,774,700

Total (over)/under recovered fuel cost adjustment
to be effective July 1, 2014 through March 31, 2015 (\$0.00071)

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED FUEL COST ADJUSTMENT
APPLICABLE TO NORTH DAKOTA - SECONDARY
TO BE EFFECTIVE JULY 1, 2014 THROUGH MARCH 31, 2015**

(Over)/under recovered electric costs @ May 31, 2014 (\$1,076,256)

Less: Projected recovery from rates already established

	Volume	Rate	Amount
June	133,242,400	\$0.00092	\$122,583
	133,242,400		\$122,583

Additional recovery required (\$1,198,839)

Projected sales volumes (Kwh)

July 2014	167,842,200
August	151,019,000
September	142,344,100
October	130,358,300
November	151,348,800
December	170,894,300
January 2015	179,839,800
February	175,338,300
March	159,299,500

Total

Total (over)/under recovered fuel cost adjustment 1,428,284,300
to be effective July 1, 2014 through March 31, 2015

(\$0.00084)

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED
UNRECOVERED FUEL COST ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
ALL CUSTOMERS**

	(Over) Under Recovery	Refunds & Other	Interest	Total Net Additions	Actual Kwh Sales	Adjustment Per Kwh	Total Adjustment Amount	Net Change- Additions less Adjustment	Cumulative Balance
Balance @ January 31, 2013									<u>(\$169,554)</u>
February		\$0	\$15	\$15	169,028,522	(\$0.00035)	(\$59,160)	\$59,175	(\$110,379)
March		0	14	14	166,844,401	(0.00035)	(58,396)	58,410	(51,969)
April		0	12	12	104,309,574	(0.00035)	(36,508)	36,520	(15,449)
	<u>\$0</u>	<u>\$0</u>	<u>\$41</u>	<u>\$41</u>	<u>440,182,497</u>		<u>(\$154,064)</u>	<u>\$154,105</u>	
Balance @ April 30, 2013 1/									<u>(\$15,449)</u>

1/ Allocated to Primary and Secondary services.

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED
UNRECOVERED FUEL COST ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
PRIMARY SERVICE**

	<u>(Over) Under Recovery</u>	<u>Refunds & Other 1/</u>	<u>Interest</u>	<u>Total Net Additions</u>	<u>Actual Kwh Sales</u>	<u>Adjustment Per Kwh</u>	<u>Total Adjustment Amount</u>	<u>Net Change- Additions less Adjustment</u>	<u>Cumulative Balance</u>
Balance @ January 31, 2013									<u>\$354,699</u>
February	(\$8,059)	\$0	(\$30)	(\$8,089)	15,538,241	\$0.00138	\$21,443	(\$29,532)	\$325,167
March	(60,990)	(1,979) 2/	(28)	(62,997)	19,113,877	0.00138	26,377	(89,374)	235,793
April	(99,774)	2	(24)	(99,796)	19,313,345	0.00108	24,408 3/	(124,204)	111,589
May	(31,968)	0	(11)	(31,979)	17,304,471	0.00108	18,689	(50,668)	60,921
June	3,261	13,845	(23)	17,083	17,819,987	0.00108	19,245	(2,162)	58,759
July	145,728	0	(18)	145,710	21,113,981	0.00108	22,803	122,907	181,666
August	156,426	0	(9)	156,417	23,734,809	0.00108	25,634	130,783	312,449
September	(41,296)	0	(3)	(41,299)	22,479,135	0.00108	24,277	(65,576)	246,873
October	22,836	0	(10)	22,826	24,266,069	0.00108	26,207	(3,381)	243,492
November	13,653	(59,036)	(14)	(45,397)	18,201,387	0.00108	19,657	(65,054)	178,438
December	148,289	(96)	(16)	148,177	24,604,330	0.00108	26,573	121,604	300,042
January 2014	1,778	0	(7)	1,771	25,311,621	0.00108	27,338	(25,567)	274,475
February	83,477	18	(9)	83,486	20,507,507	0.00108	22,148	61,338	335,813
March	(49,670)	0	(7)	(49,677)	22,664,347	0.00108	24,477	(74,154)	261,659
April	(203,653)	157	(6)	(203,502)	25,104,143	0.00108	27,112	(230,614)	31,045
May	(134,065)	(2)	(14)	(134,081)	23,014,528	0.00108	24,856	(158,937)	(127,892)
	<u>(\$54,027)</u>	<u>(\$47,091)</u>	<u>(\$229)</u>	<u>(\$101,347)</u>	<u>340,091,778</u>		<u>\$381,244</u>	<u>(\$482,591)</u>	
Balance @ May 31, 2014									<u>(\$127,892)</u>

1/ Adjustment to close out regulatory asset related to Big Stone II, Margin Sharing Adjustment, and Earning Sharing Reserves.

2/ Reclass from All Customers.

3/ Reflects 11,831,086 Kwh @ \$0.00138 per Kwh and 7,482,259 Kwh @ \$0.00108 per Kwh.

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED
UNRECOVERED FUEL COST ACCOUNT BALANCE
APPLICABLE TO NORTH DAKOTA
SECONDARY SERVICE**

	(Over) Under Recovery	Refunds & Other 1/	Interest	Total Net Additions	Actual Kwh Sales	Adjustment Per Kwh	Total Adjustment Amount	Net Change- Additions less Adjustment	Cumulative Balance
Balance @ January 31, 2013									<u>\$1,792,959</u>
February	(\$184,582)	\$0	\$121	(\$184,461)	153,490,281	\$0.00070	\$107,443	(\$291,904)	\$1,501,055
March	(506,303)	(13,470) 2/	97	(519,676)	147,730,524	0.00070	103,411	(623,087)	877,968
April	(828,384)	12	46	(828,326)	142,306,723	0.00092	110,577 3/	(938,903)	(60,935)
May	(208,715)	0	11	(208,704)	127,213,158	0.00092	117,036	(325,740)	(386,675)
June	110,673	101,486	8	212,167	106,034,276	0.00092	97,552	114,615	(272,060)
July	1,010,306	0	10	1,010,316	137,667,567	0.00092	126,654	883,662	611,602
August	938,870	0	26	938,896	134,041,565	0.00092	123,318	815,578	1,427,180
September	(248,922)	0	21	(248,901)	137,512,837	0.00092	126,512	(375,413)	1,051,767
October	138,573	0	45	138,618	128,173,752	0.00092	117,920	20,698	1,072,465
November	98,950	(426,826)	63	(327,813)	119,464,576	0.00092	109,907	(437,720)	634,745
December	984,129	(696)	46	983,479	170,041,580	0.00092	156,439	827,040	1,461,785
January 2014	(96,418)	0	44	(96,374)	205,109,646	0.00092	188,701	(285,075)	1,176,710
February	613,093	135	47	613,275	165,811,754	0.00092	152,547	460,728	1,637,438
March	(440,212)	0	60	(440,152)	174,606,338	0.00092	160,638	(600,790)	1,036,648
April	(1,198,411)	1,132	26	(1,197,253)	149,721,411	0.00092	137,744	(1,334,997)	(298,349)
May	(664,054)	(12)	7	(664,059)	123,749,008	0.00092	113,848	(777,907)	(1,076,256)
	<u>(\$481,407)</u>	<u>(\$338,239)</u>	<u>\$678</u>	<u>(\$818,968)</u>	<u>2,322,674,996</u>		<u>\$2,050,247</u>	<u>(\$2,869,215)</u>	
Balance @ May 31, 2014									<u>(\$1,076,256)</u>

1/ Adjustment to close out regulatory asset related to Big Stone II, Margin Sharing Adjustment, and Earning Sharing Reserves.

2/ Reclass from All Customers.

3/ Reflects 92,478,488 Kwh @ \$0.00070 per Kwh and 49,828,235 Kwh @ \$0.00092 per Kwh.

**COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
PRIMARY SERVICE
FEBRUARY 2013 - MAY 2014**

	<u>Kwh</u>	<u>Amount</u>	<u>Cost per Kwh</u>
FEBRUARY 2013			
Fuel and Purchased Power (net)	15,538,241	\$340,576	\$0.02192
Fuel and Purchased Power - Recovered			0.02244
(Over) Under recovery per kWh			(0.00052)
kWh billed			15,538,241
(Over) Under recovery			(\$8,059)
MARCH			
Fuel and Purchased Power (net)	19,113,877	\$395,416	\$0.02069
Fuel and Purchased Power - Recovered			0.02388
(Over) Under recovery per kWh			(0.00319)
kWh billed			19,113,877
(Over) Under recovery			(\$60,990)
APRIL			
Fuel and Purchased Power (net)	19,313,345	\$381,148	\$0.01973
Fuel and Purchased Power - Recovered			0.02490
(Over) Under recovery per kWh			(0.00517)
kWh billed			19,313,345
(Over) Under recovery			(\$99,774)
MAY			
Fuel and Purchased Power (net)	17,304,471	\$389,927	\$0.02253
Fuel and Purchased Power - Recovered			0.02438
(Over) Under recovery per kWh			(0.00185)
kWh billed			17,304,471
(Over) Under recovery			(\$31,968)
JUNE			
Fuel and Purchased Power (net)	17,819,987	\$413,004	\$0.02318
Fuel and Purchased Power - Recovered			0.02299
(Over) Under recovery per kWh			0.00018
kWh billed			17,819,987
(Over) Under recovery			\$3,261
JULY			
Fuel and Purchased Power	21,113,981	\$600,842	\$0.02846
Fuel and Purchased Power - Recovered			0.02156
(Over) Under recovery per kWh			0.00690
kWh billed			21,113,981
(Over) Under recovery			\$145,728
AUGUST			
Fuel and Purchased Power	23,734,809	\$658,771	\$0.02776
Fuel and Purchased Power - Recovered			0.02116
(Over) Under recovery per kWh			0.00659
kWh billed			23,734,809
(Over) Under recovery			\$156,426

**COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
PRIMARY SERVICE
FEBRUARY 2013 - MAY 2014**

	<u>Kwh</u>	<u>Amount</u>	<u>Cost per Kwh</u>
SEPTEMBER			
Fuel and Purchased Power	22,479,135	\$453,526	\$0.02018
Fuel and Purchased Power - Recovered			0.02201
(Over) Under recovery per kWh			(0.00184)
kWh billed			22,479,135
(Over) Under recovery			(\$41,296)
OCTOBER			
Fuel and Purchased Power	24,266,069	\$609,562	\$0.02512
Fuel and Purchased Power - Recovered			0.02418
(Over) Under recovery per kWh			0.00094
kWh billed			24,266,069
(Over) Under recovery			\$22,836
NOVEMBER			
Fuel and Purchased Power	18,201,387	\$477,715	\$0.02625
Fuel and Purchased Power - Recovered			0.02550
(Over) Under recovery per kWh			0.00075
kWh billed			18,201,387
(Over) Under recovery			\$13,653
DECEMBER			
Fuel and Purchased Power	24,604,330	\$766,538	\$0.03115
Fuel and Purchased Power - Recovered			0.02513
(Over) Under recovery per kWh			0.00603
kWh billed			24,604,330
(Over) Under recovery			\$148,289
JANUARY 2014			
Fuel and Purchased Power	25,311,621	\$638,525	\$0.02523
Fuel and Purchased Power - Recovered			0.02516
(Over) Under recovery per kWh			0.00007
kWh billed			25,311,621
(Over) Under recovery			\$1,778
FEBRUARY			
Fuel and Purchased Power	20,507,507	\$600,704	\$0.02929
Fuel and Purchased Power - Recovered			0.02522
(Over) Under recovery per kWh			0.00407
kWh billed			20,507,507
(Over) Under recovery			\$83,477
MARCH			
Fuel and Purchased Power	22,664,347	\$547,913	\$0.02418
Fuel and Purchased Power - Recovered			0.02637
(Over) Under recovery per kWh			(0.00219)
kWh billed			22,664,347
(Over) Under recovery			(\$49,670)

**COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
PRIMARY SERVICE
FEBRUARY 2013 - MAY 2014**

	<u>Kwh</u>	<u>Amount</u>	<u>Cost per Kwh</u>
APRIL			
Fuel and Purchased Power	25,104,143	\$483,788	\$0.01927
Fuel and Purchased Power - Recovered			0.02738
(Over) Under recovery per kWh			(0.00811)
kWh billed			25,104,143
(Over) Under recovery			(\$203,653)
MAY			
Fuel and Purchased Power	23,014,528	\$504,654	\$0.02193
Fuel and Purchased Power - Recovered			0.02775
(Over) Under recovery per kWh			(0.00583)
kWh billed			23,014,528
(Over) Under recovery			(\$134,065)

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
SECONDARY SERVICE
FEBRUARY 2013 - MAY 2014**

	<u>Kwh</u>	<u>Amount</u>	<u>Cost per Kwh</u>
FEBRUARY 2013			
Fuel and Purchased Power	153,490,281	\$3,461,490	\$0.02255
Fuel and Purchased Power - Recovered			0.02375
(Over) Under recovery per kWh			(0.00120)
kWh billed			153,490,281
(Over) Under recovery			(\$184,582)
MARCH			
Fuel and Purchased Power	147,730,524	\$3,180,815	\$0.02153
Fuel and Purchased Power - Recovered			0.02496
(Over) Under recovery per kWh			(0.00343)
kWh billed			147,730,524
Fuel Cost adjustment (FCA)			1,165,549
(Over) Under recovery			(\$506,303)
APRIL			
Fuel and Purchased Power	142,306,723	\$2,936,196	\$0.02063
Fuel and Purchased Power - Recovered			0.02645
(Over) Under recovery per kWh			(0.00582)
kWh billed			142,306,723
(Over) Under recovery			(\$828,384)
MAY			
Fuel and Purchased Power	127,213,158	\$2,991,520	\$0.02352
Fuel and Purchased Power - Recovered			0.02516
(Over) Under recovery per kWh			(0.00164)
kWh billed			127,213,158
(Over) Under recovery			(\$208,715)
JUNE			
Fuel and Purchased Power	106,034,276	\$2,614,693	\$0.02466
Fuel and Purchased Power - Recovered			0.02362
(Over) Under recovery per kWh			0.00104
kWh billed			106,034,276
(Over) Under recovery			\$110,673
JULY			
Fuel and Purchased Power	137,667,567	\$4,080,942	\$0.02964
Fuel and Purchased Power - Recovered			0.02230
(Over) Under recovery per kWh			0.00734
kWh billed			137,667,567
(Over) Under recovery			\$1,010,306

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
SECONDARY SERVICE
FEBRUARY 2013 - MAY 2014**

	<u>Kwh</u>	<u>Amount</u>	<u>Cost per Kwh</u>
AUGUST			
Fuel and Purchased Power	134,041,565	\$3,896,953	\$0.02907
Fuel and Purchased Power - Recovered			0.02207
(Over) Under recovery per kWh			0.00700
kWh billed			134,041,565
(Over) Under recovery			\$938,870
SEPTEMBER			
Fuel and Purchased Power	137,512,837	\$2,931,283	\$0.02132
Fuel and Purchased Power - Recovered			0.02313
(Over) Under recovery per kWh			(0.00181)
kWh billed			137,512,837
(Over) Under recovery			(\$248,922)
OCTOBER			
Fuel and Purchased Power	128,173,752	\$3,399,747	\$0.02652
Fuel and Purchased Power - Recovered			0.02544
(Over) Under recovery per kWh			0.00108
kWh billed			128,173,752
(Over) Under recovery			\$138,573
NOVEMBER			
Fuel and Purchased Power	119,464,576	\$3,286,853	\$0.02751
Fuel and Purchased Power - Recovered			0.02668
(Over) Under recovery per kWh			0.00083
kWh billed			119,464,576
(Over) Under recovery			\$98,950
DECEMBER			
Fuel and Purchased Power	170,041,580	\$5,476,237	\$0.03221
Fuel and Purchased Power - Recovered			0.02642
(Over) Under recovery per kWh			0.00579
kWh billed			170,041,580
(Over) Under recovery			\$984,129
JANUARY 2014			
Fuel and Purchased Power	205,109,646	\$5,326,469	\$0.02597
Fuel and Purchased Power - Recovered			0.02644
(Over) Under recovery per kWh			(0.00047)
kWh billed			205,109,646
(Over) Under recovery			(\$96,418)
FEBRUARY			
Fuel and Purchased Power	165,811,754	\$5,006,151	\$0.03019
Fuel and Purchased Power - Recovered			0.02649
(Over) Under recovery per kWh			0.00370
kWh billed			165,811,754
(Over) Under recovery			\$613,093

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
SECONDARY SERVICE
FEBRUARY 2013 - MAY 2014**

	<u>Kwh</u>	<u>Amount</u>	<u>Cost per Kwh</u>
MARCH			
Fuel and Purchased Power	174,606,338	\$4,366,244	\$0.02501
Fuel and Purchased Power - Recovered			0.02753
(Over) Under recovery per kWh			(0.00252)
kWh billed			174,606,338
(Over) Under recovery			(\$440,212)
APRIL			
Fuel and Purchased Power	149,721,411	\$3,056,155	\$0.02041
Fuel and Purchased Power - Recovered			0.02842
(Over) Under recovery per kWh			(0.00800)
kWh billed			149,721,411
(Over) Under recovery			(\$1,198,411)
MAY			
Fuel and Purchased Power	123,749,008	\$2,887,956	\$0.02334
Fuel and Purchased Power - Recovered			0.02870
(Over) Under recovery per kWh			(0.00537)
kWh billed			123,749,008
(Over) Under recovery			(\$664,054)