

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Montana-Dakota Utilities Co., a Division of MDU
Resources Group, Inc.
Generation Resource Recovery Rider
Rates**

Case No. PU-14-109

AFFIDAVIT OF SERVICE BY CERTIFIED & REGULAR MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Kathy Acker deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **21st** day of **November, 2014**, 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:

Notice of Opportunity for Hearing

The envelope was addressed as follows:

Tamie Aberle
Director of Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501

Cert. No. 7014 0150 0000 4831 4592

Kathy Acker further deposes and says that on the **21st** day of **November, 2014**, she deposited in the United States Mail, Bismarck, North Dakota, **one** envelope by regular mail, with postage fully prepaid, securely sealed, containing a photocopy of the same.

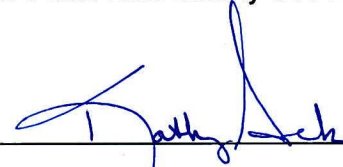
The envelope was addressed as follows:

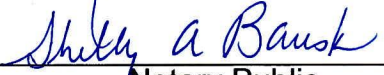
Daniel S. Kuntz
Associate General Counsel
MDU Resources Group, Inc.
P. O. Box 5650
Bismarck, ND 58506

Affidavit of Service
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November 21, 2014

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

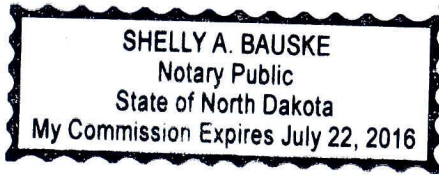
Subscribed and sworn to before me
this **21st** day of **November, 2014**.





Notary Public

SEAL



**STATE OF NORTH DAKOTA
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NOTICE OF OPPORTUNITY FOR HEARING

November 20, 2014

On February 27, 2014 Montana-Dakota Utilities Co. (MDU) filed to implement a generation resource cost recovery rider tariff under North Dakota Century Code section 49-05-05 to recover costs associated with its new 88 MW simple cycle combustion turbine generator known as Heskett III located at Mandan, North Dakota.

On August 20, 2014 the Commission approved a Settlement Agreement delaying cost recovery of the new generator until MDU's earnings became insufficient to cover the additional revenue requirement.


On November 14, 2014 MDU filed a request to implement the rate adjustments necessary to recover the additional costs of Heskett III to be effective January 1, 2015. For the year ending 2015, MDU estimates that it will earn a 7.39% return on stockholder equity absent this generation cost rider and 8.20% return on stockholder equity with the rider. If the rider is approved, the proposed increase in customer rates would be:

Residential	Rates 10 & 13	.0283 cents / Kwh
Small General	Rates 25 & 25	.0223 cents / Kwh
Large General	Rates 30, 31, 32, 38, 40 & 48	75 cents / KW

Those interested are invited to comment on the application in writing. The issue to be considered is whether the proposed generation resource cost recovery rider should be approved. 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 hearing must be received by December 24, 2014.** 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, Darrell Nitschke, Executive Secretary, 24 hours in advance.

PUBLIC SERVICE COMMISSION


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