

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-15-90

AFFIDAVIT OF SERVICE BY CERTIFIED 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 **16th day of March, 2015**, 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 photocopies of:

**Order on Interim Rates
Notice of Public Input Sessions and Hearing**

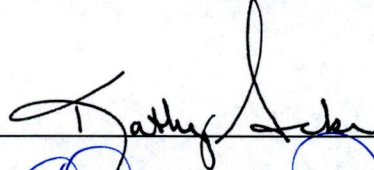
The envelope was addressed as follows:


Tamie Aberle
Montana-Dakota Utilities Co., a Division of MDU
Resources Group, Inc.
400 North Fourth Street
Bismarck ND 58501

Cert. No. 7014 1820 0001 3262 8498

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

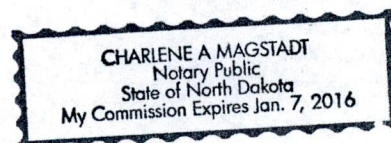
Subscribed and sworn to before me
this **16th day of March, 2015**.





Notary Public

SEAL



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Affidavit of Service Cert. Mail – Order, Notice

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Case No. PU-15-90

ORDER ON INTERIM RATES

March 11, 2015

On February 6, 2015, Montana-Dakota Utilities Co., a Division of MDU Resources (MDU) filed with the Commission to increase its rates for natural gas service to become effective March 8, 2015, Case No. PU-15-90.

On February 11, 2015, the Commission by motion suspended the rates. The Commission may order a hearing concerning the rates.

Under North Dakota Century Code section 49-05-06(2), a company filing for a rate increase is entitled to an interim rate increase. The interim rate increase must meet certain criteria including: the same rate of return on common equity authorized by the Commission in the public utility's most recent rate proceeding; rate base and expense items the same in nature and kind allowed by the Commission in its most recent rate proceeding and; no change in the existing rate design. The Company is requesting a return on common equity equal to what is currently authorized in its most recent rate proceeding.

MDU's rate increase is based on a projected 2015 test year and is an increase in annual revenue collections of \$4.3 million, or an overall increase in retail revenues of 3.4%. The interim increase is \$4.3 million, also an overall increase in revenue collections of 3.4%. When applied to the non-fuel portion of the bill, the effective increase to firm service customers is 13.523%. The monthly increase for a residential customer using 95 dekatherms a year is approximately \$2.40. The interim increase amount will be shown as a separate line item on a customer's bill.

On March 4, 2015, Commission Advocacy Staff filed comments stating that MDU's interim increase complies with the laws regarding interim rate increases.

The Commission finds that MDU's interim increase complies with the laws regarding interim rate increases.


In the event the interim rate amounts collected by MDU are in excess of final rates approved by the Commission, MDU is required to refund the excess under North Dakota Century Code section 49-05-06(4), including interest at a rate to be determined by the Commission.

Order

The Commission orders:

1. Montana-Dakota Utilities' interim rates to increase annual revenue collections by \$4.3 million shall be effective for service rendered on or after April 7, 2015.
2. Montana-Dakota Utilities is not required to obtain a bond under North Dakota Century Code section 49-05-06(3) to secure a refund required under North Dakota Century Code section 49-05-06(4).

PUBLIC SERVICE COMMISSION


Randy Christmann
Commissioner


Julie Fedorchak
Chairman


Brian P. Kalk
Commissioner

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NOTICE OF PUBLIC INPUT SESSIONS AND HEARING

March 11, 2015

On February 6, 2015, 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 2015 test year annual revenue of \$4.3 million or a 3.4% increase in test year annual revenue at current rates.

On March 11, 2015, the Commission approved MDU's request for an interim rate increase based on the projected 2015 increase request. The interim rate increase of \$4.3 million, also 3.4% over current rates, will become effective for natural gas service on and after April 7, 2015. MDU is required to refund interim rate amounts in excess of final rates approved by the Commission, including interest.

The Commission will be holding public input sessions and a formal technical hearing on the rate increase request. The issues to be considered are:

1. What rates and charges are necessary to provide a just and reasonable rate of return on MDU's property, used and useful, for the service and convenience of the public in North Dakota?
2. Are MDU's proposed rate schedules designed in such a manner that they result in a basis of charge to its customers that is just and reasonable without discrimination?

Public input sessions will be held via interactive television on **April 13, 2015 at 7:00 p.m. CDT** and on **April 14, 2015 at 12:00 p.m. CDT**. Members of the public are invited to appear and participate in the public input session at the listed locations:

Williston State College Stevens Hall, Room 120 (Apr. 13) Stevens Hall, Room 120 (Apr. 14) 1410 University Ave Williston ND 58801	Minot State University Administration Bldg., Room 359 (Apr. 13) Administration Bldg., Room 359 (Apr. 14) 500 University Ave W Minot ND 58707
Bismarck State College VoTech Center, Room 246 (Apr. 13) 1200 College Drive Bismarck ND 58506	Public Service Commission Hearing Room (Apr. 14) 12th Floor State Capitol Building 600 East Boulevard Ave Bismarck, ND 58505
Dickinson State University Klinefelter Room 220 (Apr. 13) Murphy Hall Room 202 (Apr. 14) 1679 6th Ave. W Dickinson ND 58601	Valley City State University Rhoades Room 101 (Apr. 13) Rhoades Room 101 (Apr. 14) 101 College St SW Valley City, ND 58072
Lake Region State College Administration Room 123 (Apr. 13) Administration Room 172 (Apr. 14) 1801 College Dr. North Devils Lake ND 58301	

The public will also be able to hear the input sessions by connecting to the web site <http://education.video.nd.gov> using login: guest@meeting.edu, and then entering the password: **meeting**. The Commission will receive e-mail questions during the session at vschock@nd.gov.

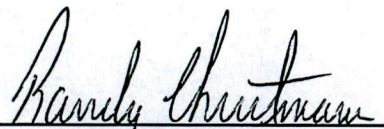
A public input session is not considered part of the formal technical hearing and the discussion at a session will not become part of the record evidence reviewed by the Commission in making its decision. The discussion will, however, aid the Commission and its staff in identifying areas of concern that may require further investigation.

Petitions to Intervene are governed by N.D. Administrative Code Chapter 69-02-02. However, the Commission encourages anyone wishing to become a party to this proceeding to file the **Petition to Intervene** as early in the process as possible to allow, if granted intervener status, full participation in prehearing filings and other actions. Consequently, anyone wishing to become a party should file a Petition to Intervene by **June 1, 2015**.


A formal technical **Hearing** is scheduled to begin **July 20, 2015 at 8:30 a.m. CDT in the Commission Hearing Room, State Capitol, 12th Floor, Bismarck, North Dakota 58505**.

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


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