



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street

Bismarck, ND 58501

(701) 222-7900

March 10, 2016

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

Re: Generation Resource Recovery
Rider - Rate 56
Case No. PU-15-704

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith submits its electric tariff sheet entitled Generation Resource Recovery Rider (Volume No. 4, 1st Revised Sheet No. 40 and 2nd Revised Sheet No. 40.1) in compliance with the Commission's action at its March 9th meeting as noted in the Motion in the above referenced matter. The attached tariff sheets reflect the approved Generation Resource Recovery Rider, effective with service rendered on and after March 15, 2016.

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

Attachments



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
1st Revised Sheet No. 40
Canceling Original Sheet No. 40

Generation Resource Recovery Rider Rate 56

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Applicability:

This rate schedule represents a Generation Resource Recovery Rider (GRRR) and specifies the procedure to be utilized to recover the jurisdictional costs associated with generation resource additions approved by the Commission but not recovered through retail rates. Costs to be recovered may include operations and maintenance expenditures, depreciation, taxes, and a current return on the project costs during construction. Costs being recovered under this tariff are currently not included in the rates established at the time of the Company's last general rate case.

1. Generation Resource Recovery Rider:

- a. The North Dakota jurisdictional GRRR revenue requirement will be allocated to the customer classes based on the Company's AED Factor No. 2 established in the Company's most recent general rate case. The adjustment applied to the Residential and Small General Service Classes will be calculated based on the customer class revenue requirement and the forecasted Kwh for the forecasted period. The adjustment applied to the Large General Service Class will be calculated based on the customer class revenue requirement and the forecasted demand for the forecasted period and expressed as a KW charge. The return component of the revenue requirement calculation will include authorized return on equity from the Company's most recent general rate case.
- b. The GRRR is applicable to all retail customers for electric energy sold, except those served under lighting schedules and special contracts, and are allocated amongst the rate classes based on the applicable demand factor.
- c. The GRRR will be adjusted annually (or other period authorized by the Commission) to reflect the Company's most recent projected capital costs and related expenses for projects determined to be recoverable under this schedule.
- d. A true-up will reflect any over or under collection of revenue under the GRRR based on actual expenditures from the preceding twelve month recovery period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

Date Filed: October 21, 2015

Effective Date: Service rendered on and
after March 15, 2016

Issued By: Tamie A. Aberle
Director – Regulatory Affairs

Case No.: PU-15-704



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
2nd Revised Sheet No. 40.1
Canceling 1st Revised Sheet No. 40.1

Generation Resource Recovery Rider Rate 56

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2. Time and Manner of the Filing:

Montana-Dakota shall file the GRRR at least 60 days prior to the proposed effective date. The filing by Montana-Dakota shall be made by means of a revised GRRR tariff sheet identifying the amounts of the adjustment, the derivation of the GRRR and the resulting GRRR by class.

3. Generation Resource Recovery Rider:

Residential	\$0.00500 per Kwh
Small General	\$0.00349 per Kwh
Large General	\$1.44 per KW

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