



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

September 26, 2016

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

Re: Case No. PU-16-____
Company's Request to Waive the
Annual Update to the Transmission Cost
Adjustment Rate 59 Tariff

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith requests Commission approval to deviate from its Transmission Cost Adjustment (TCA) Rate 59 tariff and, in lieu of updating the TCA rates to reflect projected transmission related costs through 2017 as provided for in Paragraph 3 of the Company's Rate 59 tariff, continue to assess the currently authorized rates included on Rate 59 3rd Revised Sheet No. 43.1 until implementation of final rates in the electric rate case.

Pursuant to the terms of Settlement Agreements approved in two of the Company's most recent rider applications (Case No. PU-15-703 Company's Application for Approval of a Renewable Resource Cost Adjustment Rate 55 and Case No. PU-15-704 Company's Application for Approval of an Update to the Generation Resource Recovery Rider Rate 56), Montana-Dakota will be submitting to the Commission a general electric rate case application to be filed no later than September 30, 2016. On Wednesday, September 21, 2016, the Commission approved the Company's request to extend this filing date to October 31, 2016. The Company anticipates as part of this rate application that the project costs, associated with the two large North Dakota transmission projects currently being recovered through the TCA rates, will be included in the Company's rate base and Montana-Dakota will cease collection of these costs under the Rate 59 tariff. The Company therefore believes it a prudent practice to waive the annual update of these costs under the Rate 59 tariff at this time and to continue to assess the currently authorized rates until implementation of final rates in the 2016 electric rate case application.

Please refer all inquiries regarding this filing to:

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

Also, please send copies of all written inquiries, correspondence and pleadings to:

Mr. Karl A. Liepitz
Senior Attorney
MDU Resources Group, Inc.
P. O. Box 5650
Bismarck, ND 58506-5650

Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

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

cc: Karl Liepitz
Garret Senger