



UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

March 16, 2017

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

Re: Fuel and Purchased Power Adjustment
Case No. PU-17-011
April 2017

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	0.00120	0.00130
Subtotal	<u>\$0.02144</u>	<u>\$0.02217</u>

Exhibit A is the 60th Revised Sheet No. 42.2 showing the proposed Fuel and Purchased Power Adjustment to be effective with service rendered on and after April 1, 2017.

Exhibit B, page 1 summarizes the fuel and purchase power adjustment calculated pursuant to the terms of Rate 58 that will apply during the month of April 2017. Pages 2-4 show the calculation of the adjustment for April 2017. The cost of fuel and purchased power reflects a four month historical average.

Exhibit C shows the calculation of the surcharge adjustment that will be applicable to Montana-Dakota's customers from April 1, 2017 through March 31, 2018. The total surcharge is a negative \$0.00021 per Kwh for primary service customers and a negative \$0.00052 per Kwh for secondary service customers, a decrease of 0.00006 cents per Kwh for primary and an increase of 0.00006 cents per Kwh for secondary service customers respectively, from the adjustment effective April 1, 2016.

The net effect of this F&PP adjustment is a decrease of 0.126 cents per Kwh for primary service customers and a decrease of 0.150 cents per Kwh for secondary service customers for service rendered in the month of April 2017. The decrease was largely the result of lower MISO market prices.

All of North Dakota's electric customers will be affected by this proposal. There were 92,916 electric customers in North Dakota as of February 28, 2017.

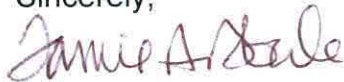
In response to Paragraph No. 11 of NDAC Section 69-09-02-39, Montana-Dakota purchases natural gas used for electric generation from its own gas operations or transports natural gas purchased from others under the applicable gas tariff approved and on file with the Commission in the state where the purchase is made or the transportation occurs. Montana-Dakota also has an agreement with its own gas operations associated with the pipeline utilized to transport firm natural gas service to the Heskett III Station pursuant to the order in Case Nos. PU-14-108 and PU-14-109.

Montana-Dakota submitted a check for \$600.00 on January 18, 2017. This payment will cover the filing fee associated with the Fuel and Purchased Power adjustment filings for February 2017 through January 2018 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.

If you have any questions regarding this filing, please contact me at (701) 222-7856 or tamie.aberle@mdu.com.

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

60th Revised Sheet No. 42.2

Canceling 59th Revised Sheet No. 42.2

FUEL AND PURCHASED POWER ADJUSTMENT Rate 58

Page 3 of 3

iii. The resulting difference (positive or negative) shall be multiplied by the Kwh's sold that month under each rate schedule.

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:

	Primary	Secondary
Base Fuel	2.024¢	2.087¢
Fuel and Purchased Power Adjustment	0.120	0.130
Total FPPA	2.144¢	2.217¢

Date Filed: March 16, 2017

Effective Date: Service rendered on and after April 1, 2017

Issued By: Tamie A. Aberle
Director- Regulatory Affairs

Case No.: PU-17-011

**MONTANA-DAKOTA UTILITIES CO.
FUEL COST ADJUSTMENT - NORTH DAKOTA
APRIL 2017 BILLING ADJUSTMENT SUMMARY**

	<u>Primary</u>	<u>Secondary</u>
Current Adjustment (Page 2)	\$0.00141	\$0.00182
Prior Filed Adjustment	0.00273	0.00326
Change in Current Adjustment	<u>(\$0.00132)</u>	<u>(\$0.00144)</u>
 <u>Surcharge Adjustment:</u>		
Current Adjustment (Exhibit C)	(\$0.00021)	(\$0.00052)
Prior Filed Adjustment	(0.00027)	(0.00046)
Change in Surcharge Adjustment	<u>\$0.00006</u>	<u>(\$0.00006)</u>
 Total Change in Fuel and Purchased Power	 <u><u>(\$0.00126)</u></u>	 <u><u>(\$0.00150)</u></u>
Base Cost of Fuel 1/	\$0.02024	\$0.02087
Current Adjustment	0.00141	0.00182
Surcharge Adjustment	<u>(0.00021)</u>	<u>(0.00052)</u>
Total Adjustment billed under Rate 58	<u><u>\$0.02144</u></u>	<u><u>\$0.02217</u></u>

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

MONTANA-DAKOTA UTILITIES CO.
FUEL AND PURCHASED POWER COST TRACKING ADJUSTMENT - NORTH DAKOTA
APRIL 2017

	Total 1/	Allocation to 2/ North Dakota	Allocation to 3/	
			Primary	Secondary
Fuel & Purchased Power Costs				
Account 501 and 547	\$17,088,466	\$11,772,541	\$1,855,640	\$9,916,901
Account 555 Energy	6,285,713	4,330,337	682,567	3,647,770
Account 555 Demand and 547 Pipeline Charges	1,257,174	897,763	62,395	835,368
Account 575 Market Admin.	155,990	107,464	16,939	90,525
Total Fuel & Purchased Power	\$24,787,343	\$17,108,105	\$2,617,541	\$14,490,564
Less:				
Wholesale Sales Revenue	136,858	94,284	14,861	79,423
Revenue from Sale of RECs 4/	324,668	232,510	36,649	195,861
Net System Costs	\$24,325,817	\$16,781,311	\$2,566,031	\$14,215,280
Kwh Retail Sales	1,081,263,507	744,901,198	118,534,963	626,366,235
Cost Per Kwh	\$0.02250	\$0.02253	\$0.02165	\$0.02269
Base Cost of Fuel			\$0.02024	\$0.02087
Current Adjustment			\$0.00141	\$0.00182

1/ Page 3.

2/ Energy is allocated on Kwh sales and demand and pipeline are allocated on Allocation Factor No. 15, Integrated System 12 Month Peak Demand.

3/ Energy is allocated on Kwh sales and demand and pipeline is allocated on class Allocation Factor No. 2, Average and Excess Demand from PU-10-124.

4/ North Dakota's portion is allocated between primary and secondary based on Kwh sales at generation.

Factor No. 15 ND	71.411233%
Factor No. 2 Primary	6.950000%
Factor No. 2 Secondary	93.050000%

MONTANA-DAKOTA UTILITIES CO.
FUEL AND PURCHASED POWER COST TRACKING ADJUSTMENT - INTEGRATED SYSTEM
APRIL 2017

	2016		2017		Total
	November	December	January	February	
Fuel & Purchased Power Costs					
Account 501 and 547	\$4,181,923	\$4,826,573	\$3,908,606	\$4,171,364	\$17,088,466
Account 555 Energy 1/	573,966	1,483,467	3,259,019	969,261	6,285,713
Account 555 Demand and 547 Pipeline Charges	311,499	324,611	311,073	309,991	1,257,174
Account 575 Market Admin.	36,844	48,081	38,722	32,343	155,990
Total Fuel & Purchased Power	\$5,104,232	\$6,682,732	\$7,517,420	\$5,482,959	\$24,787,343
Less:					
Wholesale Sales Revenue	69,879	27,369	930	38,680	136,858
Revenue from Sale of RECs	142,500	1,149	181,019	0	324,668
Net System Costs	\$4,891,853	\$6,654,214	\$7,335,471	\$5,444,279	\$24,325,817
 Kwh Retail Sales	 208,045,042	 278,010,876	 327,309,037	 267,898,552	 <u>1,081,263,507</u>
 Cost Per Kwh	 \$0.02351	 \$0.02394	 \$0.02241	 \$0.02032	 <u><u>\$0.02250</u></u>

**MONTANA-DAKOTA UTILITIES CO.
ACCOUNT 555
APRIL 2017 BILLING ADJUSTMENT**

Account No.	Account Description	2016		2017	
		November	December	January	February
	<u>Midcontinent Independent System Operator (MISO)</u>				
555.111	Day-Ahead Asset Energy	\$1,696,500	\$3,654,363	\$4,958,317	\$1,981,753
555.114	Real-Time Asset Energy	(65,059)	(7,660)	57,786	(45,784)
555.117	Real-Time Excessive Energy	1,557	555	211	1,294
555.118	Real-Time Non-Excessive Energy	(778,686)	(1,459,281)	(1,245,539)	(680,601)
555.1211	Day-Ahead Asset Congestion	(280,566)	(728,577)	(284,094)	(166,973)
555.1215	Real-Time Asset Congestion	15,161	(3,697)	(3,474)	12,564
555.1219	Real-Time Non-Excessive Congestion	155,030	230,794	14,570	81,952
555.1230	Revenue Rights Transaction	(52,109)	(33,592)	(33,592)	(33,592)
555.1232	Revenue Rights Infeasible Uplift	5,513	4,618	4,621	4,620
555.1233	Revenue Rights Stage 2 Distribution	(28,367)	(40,681)	(41,911)	(41,370)
555.1234	Auction Revenue Rights Real-Time MVP Distribution	(1,139)	(3,834)	6	(2,595)
555.130	Real-Time Non-Excessive Loss	77,125	154,159	99,372	73,036
555.131	Day-Ahead Asset Loss	(86,489)	(164,020)	(128,878)	(100,824)
555.135	Real-Time Asset Loss	(1,496)	(18,060)	(72,216)	(34,002)
555.136	Real-Time Distribution of Loss	(5,605)	(21,470)	(15,132)	(1,998)
555.151	Day-Ahead Rev Suff Guarantee Distribution	4,701	10,726	6,955	3,127
555.152	Day-Ahead Rev Suff Guarantee Make Whole Pmt	0	(2,840)	0	0
555.153	Real-Time Miscellaneous	7,072	7,321	38,798	(43)
555.154	Real-Time Net Inadvertent Distribution	11,742	659	3,135	7,580
555.155	Real-Time Revenue Neutrality Uplift	28,666	32,223	8,877	82,400
555.156	R-T Rev Suff Guarantee First Pass Distribution	2,118	7,968	11,262	872
555.157	R-T Rev Suff Guarantee Make Whole Payment	(3,579)	(31,073)	0	0
555.159	Day Ahead Schedule 24	5,937	6,946	5,868	5,575
555.160	Real Time Schedule 24	968	1,099	1,074	735
555.162	RT Price Volatility Make Whole Payment	(10,058)	(6,826)	(5,918)	(4,425)
555.1700	Day-Ahead Regulation Amount	0	(119)	0	0
555.1701	Day-Ahead Spinning Reserve Amount	(20,590)	(13,878)	(7,505)	(12,590)
555.1703	Day-Ahead Ramp Capability	(2,989)	(2,643)	(1,394)	(1,139)
555.1710	Real-Time Net Regulation Adjustment	(6)	1	0	0
555.1711	Real-Time Excessive Deficient Energy Deployment	388	279	240	247
555.1712	Real-Time Contingency Reserve Deployment	0	0	50	0
555.1713	Real-Time Regulation Amount	(47)	30	0	(26)
555.1714	Real-Time Spinning Reserve Amount	(2,275)	3,434	(1,935)	(180)
555.1716	Real-Time Regulation Cost Distribution	8,971	11,777	11,937	9,316
555.1717	Real-Time Spinning Reserve Cost Distribution Amount	9,325	11,404	9,736	7,305
555.1718	Real-Time Supplemental Reserve Cost Distribution	3,651	5,888	4,047	2,450
555.172	Real-Time Ramp Capability	(603)	(55)	(409)	(259)
	<u>Southwest Power Pool (SPP)</u>				
555.185	RT Asset Losses	(\$32,785)	(\$7,668)	(\$58,663)	(\$63,199)
555.186	RT Over Collected Losses	7,010	19,924	9,179	(6,623)
555.1915	RT Asset Congestion	(95,144)	(134,728)	(86,496)	(109,342)
	<u>Other</u>				
555.5	Purchased Power Cogeneration	\$123	\$1	\$134	\$0
	Total Account 555 Charges	\$573,966	\$1,483,467	\$3,259,019	\$969,261

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED FUEL COST ADJUSTMENT
APPLICABLE TO NORTH DAKOTA - PRIMARY
TO BE EFFECTIVE APRIL 1, 2017 THROUGH MARCH 31, 2018**

(Over)/under recovered electric costs @ January 31, 2017. (\$92,706)

Less: Projected recovery from rates already established.

	Volume	Rate	Amount
February	30,067,062	(\$0.00027)	(\$8,118)
March	29,962,397	(0.00027)	(8,090)
	60,029,459		(\$16,208)

Additional recovery required. (\$76,498)

Projected sales volumes (Kwh)

April 2017	27,752,433
May	28,490,405
June	29,841,515
July	31,873,425
August	30,643,699
September	31,163,363
October	31,243,090
November	33,625,264
December	33,779,412
January 2018	28,615,690
February	32,246,235
March	30,591,702

Total 369,866,233

Total (over)/under recovered fuel cost adjustment
to be effective April 1, 2017 through March 31, 2018. (\$0.00021)

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) / UNDER RECOVERED FUEL COST ADJUSTMENT
APPLICABLE TO NORTH DAKOTA - SECONDARY
TO BE EFFECTIVE APRIL 1, 2017 THROUGH MARCH 31, 2018**

(Over)/under recovered electric costs @ January 31, 2017. (\$1,065,127)

Less: Projected recovery from rates already established.

	Volume	Rate	Amount
February	155,287,949	(\$0.00046)	(\$71,432)
March	150,105,603	(0.00046)	(69,049)
	305,393,552		(\$140,481)

Additional recovery required. (\$924,646)

Projected sales volumes (Kwh)

April 2017	131,205,567
May	127,104,595
June	124,385,485
July	152,904,575
August	145,189,301
September	135,212,637
October	128,237,910
November	150,437,736
December	172,861,588
January 2018	177,941,310
February	166,542,765
March	153,258,298

Total 1,765,281,767

Total (over)/under recovered fuel cost adjustment
to be effective April 1, 2017 through March 31, 2018. (\$0.00052)

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

	(Over) Under Recovery	Refunds & Other 2/	Interest 3/	Total Net Additions	Actual Kwh Sales	Adjustment Per Kwh	Total Adjustment Amount	Net Change- Additions less Adjustment	Cumulative Balance
Balance @ January 31, 2016									<u>(\$96,879)</u>
February 2016	(\$206,165)	(\$1)	(\$25)	(\$206,191)	27,904,441	\$0.00014	\$3,907	(\$210,098)	(\$306,977)
March	(303,369)	0	(77)	(303,446)	30,974,528	0.00014	4,336	(307,782)	(614,759)
April	(140,636)	0	(119)	(140,755)	26,965,707	(0.00027)	(427) 1/	(140,328)	(755,087)
May	(34,085)	0	(176)	(34,261)	26,346,429	(0.00027)	(7,114)	(27,147)	(782,234)
June	33,151	8	(176)	32,983	31,543,467	(0.00027)	(8,517)	41,500	(740,734)
July	228,878	0	(185)	228,693	27,443,070	(0.00027)	(7,410)	236,103	(504,631)
August	171,068	0	(126)	170,942	33,296,225	(0.00027)	(8,990)	179,932	(324,699)
September	75,763	0	(79)	75,684	31,235,350	(0.00027)	(8,434)	84,118	(240,581)
October	121,998	(1)	(65)	121,932	27,925,332	(0.00027)	(7,540)	129,472	(111,109)
November	16,034	(3)	(42)	15,989	25,510,153	(0.00027)	(6,888)	22,877	(88,232)
December	20,502	0	(38)	20,464	31,376,445	(0.00027)	(8,472)	28,936	(59,296)
January 2017	(41,892)	(20)	(25)	(41,937)	31,581,303	(0.00027)	(8,527)	(33,410)	(92,706)
	<u>(\$58,753)</u>	<u>(\$17)</u>	<u>(\$1,133)</u>	<u>(\$59,903)</u>	<u>352,102,450</u>		<u>(\$64,076)</u>	<u>\$4,173</u>	
Balance @ January 31, 2017									<u>(\$92,706)</u>

1/ Reflects 16,717,195 @ \$0.00014 per Kwh and 10,248,512 @ (\$0.00027) per Kwh.

2/ Earnings sharing adjustments.

3/ Interest calculated at three-month Treasury Note rate.

**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 2/	Interest 3/	Total Net Additions	Actual Kwh Sales	Adjustment Per Kwh	Total Adjustment Amount	Net Change- Additions less Adjustment	Cumulative Balance
Balance @ January 31, 2016									<u>(\$820,404)</u>
February 2016	(\$1,218,742)	(\$4)	(\$211)	(\$1,218,957)	158,067,396	\$0.00023	\$36,356	(\$1,255,313)	(2,075,717)
March	(1,554,044)	0	(519)	(1,554,563)	155,176,174	0.00023	35,691	(1,590,254)	(3,665,971)
April	(650,158)	(1)	(702)	(650,861)	127,486,156	(0.00046)	(3,793) 1/	(647,068)	(4,313,039)
May	(118,898)	(1)	(1,006)	(119,905)	117,539,652	(0.00046)	(54,068)	(65,837)	(4,378,876)
June	181,801	41	(985)	180,857	131,479,564	(0.00046)	(60,481)	241,338	(4,137,538)
July	1,151,252	0	(1,034)	1,150,218	131,651,087	(0.00046)	(60,560)	1,210,778	(2,926,760)
August	814,034	0	(731)	813,303	157,756,923	(0.00046)	(72,568)	885,871	(2,040,889)
September	331,082	0	(491)	330,591	135,524,977	(0.00046)	(62,341)	392,932	(1,647,957)
October	535,582	(5)	(452)	535,125	114,620,099	(0.00046)	(52,725)	587,850	(1,060,107)
November	89,516	(15)	(395)	89,106	114,131,141	(0.00046)	(52,500)	141,606	(918,501)
December	61,877	0	(389)	61,488	160,564,730	(0.00046)	(73,860)	135,348	(783,153)
January 2017	(371,886)	(95)	(329)	(372,310)	196,382,415	(0.00046)	(90,336)	(281,974)	(1,065,127)
	<u>(\$748,584)</u>	<u>(\$80)</u>	<u>(\$7,244)</u>	<u>(\$755,908)</u>	<u>1,700,380,314</u>		<u>(\$511,185)</u>	<u>(\$244,723)</u>	<u>(\$1,065,127)</u>
Balance @ January 31, 2017									<u>(\$1,065,127)</u>

1/ Reflects 79,493,487 @ \$0.00023 per Kwh and 47,992,669 @ (\$0.00046) per Kwh.

2/ Earnings sharing adjustments.

3/ Interest calculated at three-month Treasury Note rate.

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
PRIMARY SERVICE
FEBRUARY 2016 - JANUARY 2017**

	Kwh	Amount	Cost per Kwh
FEBRUARY 2016			
Fuel and Purchased Power (net)	27,904,441	\$462,170	0.01656
Fuel and Purchased Power - Recovered			0.02395
(Over) Under recovery per kWh			(0.00739)
kWh billed			27,904,441
(Over) Under recovery			(\$206,165)
MARCH			
Fuel and Purchased Power (net)	30,974,528	\$426,090	\$0.01376
Fuel and Purchased Power - Recovered			0.02355
(Over) Under recovery per kWh			(0.00979)
kWh billed			30,974,528
(Over) Under recovery			(\$303,369)
APRIL			
Fuel and Purchased Power (net)	26,965,707	\$479,033	\$0.01776
Fuel and Purchased Power - Recovered			0.02298
(Over) Under recovery per kWh			(0.00522)
kWh billed			26,965,707
(Over) Under recovery			(\$140,636)
MAY			
Fuel and Purchased Power (net)	26,346,429	515,625	\$0.01957
Fuel and Purchased Power - Recovered			0.02086
(Over) Under recovery per kWh			(0.00129)
kWh billed			26,346,429
(Over) Under recovery			(\$34,085)
JUNE			
Fuel and Purchased Power (net)	31,543,467	610,031	\$0.01934
Fuel and Purchased Power - Recovered			0.01829
(Over) Under recovery per kWh			0.00105
kWh billed			31,543,467
(Over) Under recovery			\$33,151
JULY			
Fuel and Purchased Power	27,443,070	697,213	\$0.02541
Fuel and Purchased Power - Recovered			0.01707
(Over) Under recovery per kWh			0.00834
kWh billed			27,443,070
(Over) Under recovery			\$228,878

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
PRIMARY SERVICE
FEBRUARY 2016 - JANUARY 2017**

	Kwh	Amount	Cost per Kwh
AUGUST			
Fuel and Purchased Power	33,296,225	736,322	\$0.02211
Fuel and Purchased Power - Recovered			0.01698
(Over) Under recovery per kWh			0.00513
kWh billed			33,296,225
(Over) Under recovery			\$171,068
SEPTEMBER			
Fuel and Purchased Power	31,235,350	655,063	\$0.02097
Fuel and Purchased Power - Recovered			0.01855
(Over) Under recovery per kWh			0.00242
kWh billed			31,235,350
(Over) Under recovery			\$75,763
OCTOBER			
Fuel and Purchased Power	27,925,332	708,118	\$0.02536
Fuel and Purchased Power - Recovered			0.02099
(Over) Under recovery per kWh			0.00437
kWh billed			27,925,332
(Over) Under recovery			\$121,998
NOVEMBER			
Fuel and Purchased Power	25,510,153	570,762	\$0.02237
Fuel and Purchased Power - Recovered			0.02175
(Over) Under recovery per kWh			0.00062
kWh billed			25,510,153
(Over) Under recovery			\$16,034
DECEMBER			
Fuel and Purchased Power	31,376,445	723,805	\$0.02307
Fuel and Purchased Power - Recovered			0.02242
(Over) Under recovery per kWh			0.00065
kWh billed			31,376,445
(Over) Under recovery			\$20,502
JANUARY 2017			
Fuel and Purchased Power	31,581,303	686,208	\$0.02173
Fuel and Purchased Power - Recovered			0.02305
(Over) Under recovery per kWh			(0.00132)
kWh billed			31,581,303
(Over) Under recovery			(\$41,892)

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
SECONDARY SERVICE
FEBRUARY 2016 - JANUARY 2017**

	Kwh	Amount	Cost per Kwh
FEBRUARY 2016			
Fuel and Purchased Power	158,067,396	2,768,274	\$0.01751
Fuel and Purchased Power - Recovered			0.02522
(Over) Under recovery per kWh			(0.00771)
kWh billed			158,067,396
(Over) Under recovery			(\$1,218,742)
MARCH			
Fuel and Purchased Power	155,176,174	2,283,246	\$0.01471
Fuel and Purchased Power - Recovered			0.02473
(Over) Under recovery per kWh			(0.01002)
kWh billed			155,176,174
(Over) Under recovery			(\$1,554,044)
APRIL			
Fuel and Purchased Power	127,486,156	2,418,161	\$0.01897
Fuel and Purchased Power - Recovered			0.02407
(Over) Under recovery per kWh			(0.00510)
kWh billed			127,486,156
(Over) Under recovery			(\$650,158)
MAY			
Fuel and Purchased Power	117,539,652	2,454,522	\$0.02088
Fuel and Purchased Power - Recovered			0.02189
(Over) Under recovery per kWh			(0.00101)
kWh billed			117,539,652
(Over) Under recovery			(\$118,898)
JUNE			
Fuel and Purchased Power	131,479,564	2,706,662	\$0.02059
Fuel and Purchased Power - Recovered			0.01920
(Over) Under recovery per kWh			0.00139
kWh billed			131,479,564
(Over) Under recovery			\$181,801
JULY			
Fuel and Purchased Power	131,651,087	3,532,890	\$0.02684
Fuel and Purchased Power - Recovered			0.01809
(Over) Under recovery per kWh			0.00875
kWh billed			131,651,087
(Over) Under recovery			\$1,151,252
AUGUST			

**MONTANA-DAKOTA UTILITIES CO.
COMPUTATION OF (OVER) UNDER RECOVERY OF FUEL COSTS
APPLICABLE TO NORTH DAKOTA
SECONDARY SERVICE
FEBRUARY 2016 - JANUARY 2017**

	Kwh	Amount	Cost per Kwh
Fuel and Purchased Power	157,756,923	3,671,852	\$0.02328
Fuel and Purchased Power - Recovered			0.01812
(Over) Under recovery per kWh			0.00516
kWh billed			157,756,923
(Over) Under recovery			\$814,034
SEPTEMBER			
Fuel and Purchased Power	135,524,977	3,024,698	\$0.02232
Fuel and Purchased Power - Recovered			0.01988
(Over) Under recovery per kWh			0.00244
kWh billed			135,524,977
(Over) Under recovery			\$331,082
OCTOBER			
Fuel and Purchased Power	114,620,099	3,090,244	\$0.02696
Fuel and Purchased Power - Recovered			0.02229
(Over) Under recovery per kWh			0.00467
kWh billed			114,620,099
(Over) Under recovery			\$535,582
NOVEMBER			
Fuel and Purchased Power	114,131,141	2,720,037	\$0.02383
Fuel and Purchased Power - Recovered			0.02305
(Over) Under recovery per kWh			0.00078
kWh billed			114,131,141
(Over) Under recovery			\$89,516
DECEMBER			
Fuel and Purchased Power	160,564,730	3,878,774	\$0.02416
Fuel and Purchased Power - Recovered			0.02377
(Over) Under recovery per kWh			0.00039
kWh billed			160,564,730
(Over) Under recovery			\$61,877
JANUARY 2017			
Fuel and Purchased Power	196,382,415	4,425,084	\$0.02253
Fuel and Purchased Power - Recovered			0.02443
(Over) Under recovery per kWh			(0.00190)
kWh billed			196,382,415
(Over) Under recovery			(\$371,886)