

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.,
a Division of MDU Resources Group, Inc.
2017 Natural Gas Rate Increase
Application

Case No. PU-17-295

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **7th day of September, 2017**, she deposited in the United States Mail, at Bismarck, North Dakota, **two** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

- **Order on Interim Rates**

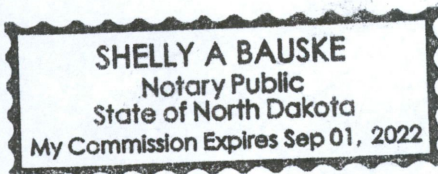
The envelopes were addressed as follows:

Tamie Aberle
Director of Regulatory Affairs
Montana-Dakota Utilities Co.
400 North 4th Street
Bismarck, ND 58501
Cert. No. 7015 0640 0006 6993 9584

Karl Liepitz
Assistant General Counsel
MDU Resources Group, Inc.
PO Box 5650
Bismarck, ND 58505-5650
Cert. No. 7015 0640 0006 6993 9591

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

Subscribed and sworn to before me
this **7th day of September, 2017**.



Notary Public

SEAL

28 PU-17-295 Filed: 9/7/2017 Pages: 3
Affidavit of Service, Cert. Mail - Order

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Montana-Dakota Utilities Co., a Division of
MDU Resources Group, Inc.
2017 Natural Gas Rate Increase
Application**

Case No. PU-17-295

ORDER ON INTERIM RATES

September 6, 2017

On July 21, 2017, Montana-Dakota Utilities Co., a Division of MDU Resources (MDU) filed with the Commission to increase its rates for natural gas service.

On August 16, 2017, the Commission suspended the rates.

On August 29, 2017, Commission Advocacy Staff filed comments stating that MDU's interim increase complies with the laws regarding interim rate increases.

MDU's rate increase is based on a projected 2018 test year and is an increase in annual revenue collections of \$5.9 million, or an overall increase in retail revenues of 5.4%. The interim increase is \$4.6 million, or an overall increase in revenue collections of 4.2%. When applied to the non-fuel portion of the bill, the effective increase to firm service customers is 12.486%. The monthly increase for a residential customer is approximately \$2.44. The interim increase amount will be shown as a separate line item on a customer's bill.

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 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

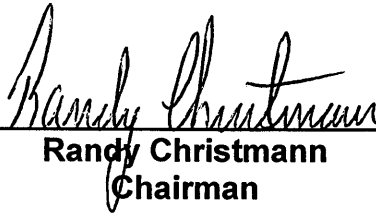
The Commission orders:

1. Montana-Dakota Utilities' request for interim rates to increase annual revenue collections by \$4.6 million is **APPROVED**.
2. Interim rates must be effective for service rendered on or after September 19, 2017.

PUBLIC SERVICE COMMISSION



**Brian Kroshus
Commissioner**



**Randy Christmann
Chairman**



**Julie Fedorchak
Commissioner**