

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

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

Case No. PU-17-295

NOTICE OF OPPORTUNITY FOR HEARING

August 9, 2018

On July 21, 2017, 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 2018 test year annual revenue of \$5.9 million or a 5.4% increase in test year annual revenue at current rates.

On September 6, 2017, the Commission approved MDU's request for an interim rate increase based on the projected 2018 increase request. The interim rate increase of \$4.6 million, 4.2% over current rates, became effective for natural gas service on and after September 19, 2017. MDU is required to refund interim rate amounts in excess of final rates approved by the Commission, including interest.

On May 30 - June 1, 2018, a public hearing was held on MDU's application.

On July 19, 2018, a Settlement Agreement was filed, executed by all of the parties except one intervenor. The Settlement Agreement would resolve all issues except MDU's proposal for a monthly billing surcharge for recovery of ongoing costs related to replacing aging distribution mains under proposed Rate 94.

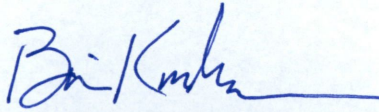
The Commission previously extended the rate suspension period due to the hearing schedule, with MDU's agreement. Given the timing of the filing of the settlement and the issuance of the instant notice, a further extension of the rate suspension period is warranted. The Commission extends the rate suspension until the proceedings are concluded. MDU agrees with this extension.

The issue to be determined is whether the Settlement Agreement should be approved by the Commission.

Those interested are invited to comment on the Settlement Agreement in writing. Persons desiring a hearing must file a written request identifying their interest in the proceeding and the reasons for requesting a hearing. **Comments and requests for hearing must be received by September 11, 2018.** If deemed appropriate, the Commission can determine the matter without a hearing.

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



**Brian Kroshus
Commissioner**



**Randy Christmann
Chairman**



**Julie Fedorchak
Commissioner**