

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.,
a Division of MDU Resources Group, Inc.
Electric Service Agreement – Tesoro Refining
Approval

Case No. PU-18-434

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 **26th day of July 2019**, 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**

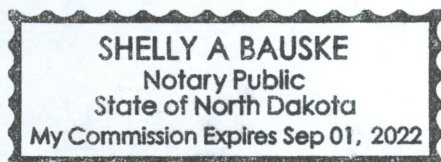
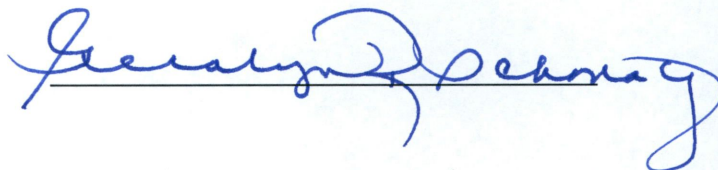
The envelopes were addressed as follows:

Karl Liepitz
Assistant General Counsel
MDU Resources Group, Inc.
PO Box 5650
Bismarck, ND 58506-5650
Cert. No. 7018 2290 0000 9934 4392

Tamie Aberle
Director of Regulatory Affairs
Montana-Dakota Utilities Company
400 North 4th Street
Bismarck, ND 58501
Cert. No. 7018 2290 0000 9934 4385

The addresses shown are the respective addressee's last reasonably ascertainable post office and electronic mail addresses.

Subscribed and sworn to before me
this **26th day of July 2019**.



Notary Public

SEAL

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

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ORDER

July 25, 2019

Preliminary Statement

On December 28, 2018, Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (MDU) filed Amendment No. 2 Electric Service Agreement between Tesoro Refining & Marketing Company, LLC (Tesoro) and MDU.

On May 7, 2019, MDU filed a Settlement Agreement negotiated with Public Service Commission Advocacy Staff, intended to resolve all outstanding issues between the settling parties in this case.

On June 12, 2019, the Commission issued a Notice of Opportunity for Hearing that provided until July 22, 2019 for receiving written comments and hearing requests. No response was received.

On July 10, 2019, the Commission discussed this matter with MDU, Commission Staff and Tesoro during an Informal Hearing.

Discussion

Amendment No. 2 provides for continued sale of all firm electric power required by Tesoro at a rate other than the applicable General Electric Service Rate 30. Under the Settlement Agreement MDU will charge Amendment No. 2 rates to Tesoro until MDU's next general rate case when a new study of costs to serve Tesoro will be completed. The Commission's Notice of Opportunity for Hearing identified the issue to be considered is whether the Settlement Agreement is just and reasonable and should be approved.

Having considered this matter, the Commission finds the Settlement Agreement is just and reasonable and should be approved. Therefore, the Commission issues its:

Order

The Commission Orders:

1. The Settlement Agreement between Commission Staff and MDU filed on May 7, 2019 is approved.

2. Amendment No. 2 to the Electric Service Agreement between Tesoro Refining & Marketing Company, LLC and MDU is approved.

PUBLIC SERVICE COMMISSION


Julie Fedorchak
Commissioner


Brian Kroshus
Chairman


Randy Christmann
Commissioner