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

September 4, 2009

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Pierre, SD 57501

Re:

In the Matter of the Consideration of the

New PURPA Standards Docket No. EL08-28

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group Inc., herewith submits this letter in response to the Direct Testimony of South Dakota Public Utilities Commission Staff in lieu of filing Reply Testimony, pursuant to the Order for and Notice of Procedural Schedule and Hearing in Docket No. EL08-028, In the Matter of the Consideration of the New PURPA Standards.

On December 19, 2007, the Energy Independence and Security Act of 2007 (EISA) was signed into law. The amendments to PURPA in EISA 2007 added four new federal standards regarding (1) integrated resource planning, (2) rate design modifications to promote energy efficiency investments, (3) consideration of smart grid investments and (4) smart grid information. The Commission opened the above captioned docket to consider the new standards. Montana-Dakota petitioned to intervene on December 22, 2009 and filed comments on June 19, 2009. Commission Staff filed its Direct Testimony on August 14, 2009.

Montana-Dakota is in agreement with the overall recommendations included in the Direct Testimony filed by the Commission Staff on August 14, 2009 and does not have additional comments to present at this time.

Montana-Dakota appreciates the opportunity to offer its comments on the adoption of these new standards and will continue to work with the Commission and Staff through the remainder of this process.

Sincerely.

Tamie A. Aberle

Pricing & Tariff Manager

cc: Dave Gerdes