



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

February 17, 2016

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol
Pierre, SD 57501-5070

Re: Fuel Clause Adjustment
March 2016

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith respectfully files a fuel adjustment, statement attached hereto, in accordance with its Fuel Clause Rate 58. The attached statement shows the following:

Cost/Kwh - 3 months ended January 31, 2016	\$0.023475
Base Cost/Kwh Included in Current Rates	0.014704
Increase(Decrease) from Base Cost	<u>\$0.008771</u>
Net Billing Adjustment after 90% Provision	\$0.007894

Montana-Dakota will, unless the Commission otherwise orders, apply the 0.7894 cents per Kwh for service rendered during the month of March 2016. This is a decrease of 0.0661 cents from the February level.

Montana-Dakota began taking service from the Southwest Power Pool (SPP) on October 1, 2015 upon Western Area Power Administration (WAPA) joining SPP to replace WAPA Network Integrated Transmission Service agreement. As such, Montana-Dakota will be responsible for additional energy related cost components, including marginal congestion and losses, for certain energy deliveries which rely on SPP transmission.

Sincerely,

Tamie A. Aberle
Director of Regulatory Affairs

Attachment