



UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

December 16, 2016

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

Re: Fuel and Purchased Power Adjustment
January 2017

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith respectfully files its fuel and purchased power adjustment (F&PP) pursuant to its Rate 58.

Base Fuel	\$0.02524
Fuel and Purchased Power Adjustment	(0.00286)
Total FPPA	<u>\$0.02238</u>

Exhibit A is the 7th Revised Sheet No. 27.2 showing the proposed Fuel and Purchased Power Adjustment to be effective with service rendered on and after January 1, 2017 unless the Commission otherwise orders.

Exhibit B, page 1 summarizes the fuel and purchase power adjustment calculated pursuant to the terms of Rate 58 authorized in Docket No. EL15-024 that will apply during the month of January 2017. Pages 2-4 show the calculation of the adjustment for January 2017. The cost of fuel and purchased power reflects a four month historical average.

The net effect of this F&PP adjustment is a decrease of 0.075 cents per Kwh for service rendered in the month of January 2017 from currently effective rates.

Sincerely,

Tamie A. Aberle
Director of Regulatory Affairs

Attachment