



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

February 16, 2018

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

Re: Fuel and Purchased Power Adjustment
March 2018

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 (F&PP) adjustment pursuant to its Rate 58.

Base Fuel	\$0.02524
Fuel and Purchased Power Adjustment	<u>(0.00225)</u>
Total	\$0.02299

Exhibit A is the 21st Revised Sheet No. 27.2 showing the proposed Fuel and Purchased Power Adjustment to be effective with service rendered on and after March 1, 2018, pursuant to Commission approval.

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. The total F&PP adjustment is 2.299 cents per Kwh that will apply during the month of March 2018. Pages 2 through 4 show the calculation of the adjustment which is based on a four month historical average cost of fuel and purchased power.

The net effect of this F&PP adjustment is an increase from currently effective rates of 0.024 cents per Kwh for service rendered in the month of March 2018.

All of Montana-Dakota's retail electric customers in South Dakota will be affected by this proposal. There were 8,543 customers in South Dakota as of January 31, 2018.

If you have any questions regarding this filing, please contact me at (701) 222-7856 or Tamie.Aberle@mdu.com.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tamie A. Aberle". The signature is written in a cursive style with a large initial "T".

Tamie A. Aberle
Director of Regulatory Affairs

Attachment