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

January 17, 2019

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

February 2019

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Subsidiary 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 | 0.00180   |
| Total                               | \$0.02704 |

Exhibit A is the 32<sup>nd</sup> Revised Sheet No. 27.2 showing the proposed Fuel and Purchased Power Adjustment to be effective with service rendered on and after February 1, 2019, 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 2.704 cents per Kwh that will apply during the month of February 2019. 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 a decrease from currently effective rates of 0.045 cents per Kwh for service rendered in the month of February 2019.

All of Montana-Dakota's retail electric customers in South Dakota will be affected by this proposal. There were 8,499 customers in South Dakota as of December 31, 2018.

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

Sincerely,

Tamie A. Aberle

Director of Regulatory Affairs

Attachment