



**MONTANA-DAKOTA**

UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

**ORIGINAL**

**RECEIVED**

AUG 30 2006

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

August 29, 2006

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

Re: Tariffs Reflecting Effective Dates  
Docket No. EL06-017

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith submits the following tariff sheets reflecting the effective date of August 24, 2006, pursuant to the Commission's Order approving the rates in the above-referenced docket:

- Volume No. 1, 11<sup>th</sup> Revised, Sheet No. 1, Section No. 3, 21st Revised Sheet No. 28, Section No. 3, 21st Revised Sheet No. 29, Section No. 3, 14th Revised Sheet No. 29.1, Section No. 3, 21st Revised Sheet No. 30 and Section No. 3, 15th Revised Sheet No. 30.1.

The original and 10 copies of this letter and tariff have been provided to the South Dakota Public Utilities Commission.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed stamped envelope.

Sincerely,

Tamie A. Aberle  
Pricing and Tariff Manager

Attachments

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ELECTRIC RATE SCHEDULE

SD P.U.C

Section No. 3

21st Revised

Sheet No. 28

Cancelling

20th Revised

Sheet No. 28

OCCASIONAL POWER PURCHASE Rate 95  
NON-TIME DIFFERENTIATED

AVAILABILITY:

To any qualifying cogeneration and small power production (COG/SPP) facilities for the purpose of generating occasional electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

RATE:

Metering charge for single phase service \$ 1.60 per month  
Metering charge for three phase service \$ 5.85 per month

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Energy delivered to and accepted by Company by a qualifying facility shall paid for by Company as follows:

1.840¢ per Kwh

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(Energy delivered per month to Company is limited to 600 Kwh per month. Delivery in excess of this limit will not be compensated.)

ENERGY SALES TO SMALL QUALIFYING FACILITY:

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, small or large general service, etc.) that is currently on file with the Commission.

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SPECIAL TERMS AND CONDITIONS:

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.

(Continued)

Date Filed: June 5, 2006  
Docket No. EL06-017

Effective Date: Service rendered on and after  
August 24, 2006

Issued By: Donald R. Ball, Vice President - Regulatory Affairs

SHORT-TERM POWER PURCHASE Rate 96  
TIME DIFFERENTIATED

AVAILABILITY:

To any qualifying cogeneration and small power production (COG/SPP) facilities for the purpose of generating short-term electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

RATE:

Metering charge for single phase service \$ 5.85 per month  
 Metering charge for three phase service \$10.15 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

ON-PEAK

OFF-PEAK

2.050¢ per Kwh

1.799¢ per Kwh

The On-Peak Period is defined as those hours between 12 p.m. and 8 p.m. local time, Monday through Friday in the months of June through September.  
 The Off-Peak Period is defined as all other hours.

Definitions of on-peak and off-peak periods are subject to change with change in Company's system operating characteristics.

Monthly capacity payments will be made on the basis of actual avoidance of capacity during the months of June through September. Such payments are to be based on the capacity cost of combustion turbine peaking generation.

Monthly capacity payment = \$6.19 per Kw

Monthly capacity payments will be made based on a monthly 85 percent on-peak period capacity factor for the months of June through September. The capacity factor is the quotient of the average monthly on-peak period metered capacity (Kw) delivered to the Company during a month, divided by the maximum monthly on-peak metered capacity (Kw) delivered to the Company during a month. All referenced metered capacity readings refer to one hour measured demands (Kw). The monthly capacity payment applicable for the months of June through September will be made based on the following formula:

(Continued)

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SHORT-TERM POWER PURCHASE Rate 96  
TIME DIFFERENTIATED

$$\text{MCP} = \frac{\text{MCP per Kw} \times \text{MCF}}{.85} \times \text{maximum monthly on-peak demand (Kw)}$$

where: MCP = Monthly Capacity Payment  
MCF = Monthly On-Peak Period Capacity Factor

**ENERGY SALES TO SMALL QUALIFYING FACILITY:**

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, small or large general service, etc.) that is currently on file with the Commission. C

**SPECIAL TERMS AND CONDITIONS:**

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.
4. A written contract with the Company shall be signed stipulating the terms and conditions of the interconnection and sale of the electricity to the Company. The term of the contract hereunder shall be for a minimum term of one year but less than 10 years.
5. The customer has the option of contracting for either the "Standard Payment Option" or "Net Billing Option" for purposes of computing payments as stipulated in the written contract.
6. All services provided by the Company under this and all other schedules are governed by the rules and regulations approved by the South Dakota Public Utilities Commission. Rates charged hereunder may be modified by Company at any time by making a unilateral rate application with the South Dakota Public Utilities Commission or its successor. The new rates shall be effective upon approval by the Commission.

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LONG-TERM POWER PURCHASE Rate 97  
TIME DIFFERENTIATED

AVAILABILITY:

To any qualifying cogeneration and small power production (COG/SPP) facilities for the purpose of generating long-term electric energy in parallel with the Company's system. This schedule is applicable to cogeneration and small power production facilities with a design capacity of 100 Kw or less, that are Qualifying Facilities as defined under 18 CFR, Part 292.

RATE:

Metering charge for single phase service	\$ 5.85 per month
Metering charge for three phase service	\$10.15 per month

Energy delivered to and accepted by Company by a qualifying facility shall be paid for by Company as follows:

<u>ON-PEAK</u>	<u>OFF-PEAK</u>
2.050¢ per Kwh	1.799¢ per Kwh

The On-Peak Period is defined as those hours between 12 p.m. and 8 p.m. local time, Monday through Friday in the months of June through September. The Off-Peak Period is defined as all other hours.

Definitions of on-peak and off-peak periods are subject to change with change in Company's system operating characteristics.

Monthly capacity payments will be made on the basis of actual avoidance of capacity during the months of June through September. Such payments are to be based on the capacity cost of base load generation.

Monthly capacity payment = \$14.50 per Kw

Monthly capacity payments will be made based on a monthly 85 percent on-peak period capacity factor for the months of June through September. The capacity factor is the quotient of the average monthly on-peak period metered capacity (Kw) delivered to the Company during a month, divided by the maximum monthly on-peak metered capacity (Kw) delivered to the Company during a month. All referenced metered capacity readings refer to one hour measured demands (Kw). The monthly capacity payment applicable for the months of June through September will be made based on the following formula:

(Continued)

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LONG-TERM POWER PURCHASE Rate 97  
TIME DIFFERENTIATED

$$\text{MCP} = \frac{\text{MCP per Kw} \times \text{MCF}}{.85} \times \text{maximum monthly on-peak demand (Kw)}$$

where: MCP = Monthly Capacity Payment  
 MCF = Monthly On-Peak Period Capacity Factor

**ENERGY SALES TO SMALL QUALIFYING FACILITY:**

Service provided to such customers by the Company shall be billed at the appropriate rate, by class of customers (i.e., residential, small and large general service, etc.) that is currently on file with the Commission.

**SPECIAL TERMS AND CONDITIONS:**

1. The rates shall be reviewed annually, updated if necessary, and revised upon the Commission's approval.
2. The Company shall install appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rate schedule.
3. The customer shall, with prior written consent of the Company, furnish, install and wire the necessary service entrance equipment, meter sockets, meter enclosure cabinets, or meter connection cabinets that may be required by the Company to properly meter usage and sales to the Company.
4. A written contract with the Company shall be signed stipulating the terms and conditions of the interconnection and sale of the electricity to the Company. The term of the contract hereunder shall be 10 years or more.
5. The customer has the option of contracting for either the "Standard Payment Option" or "Net Billing Option" for purposes of computing payments as stipulated in the written contract.
6. All services provided by the Company under this and all other schedules are governed by the rules and regulations approved by the South Dakota Public Utilities Commission. Rates charged hereunder may be modified by Company at any time by making a unilateral rate application with the South Dakota Public Utilities Commission or its successor. The new rates shall be effective upon approval by the Commission.

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