



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

May 21, 2012

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

Re: Continuous Service Agreement Form

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group Inc., herewith electronically submits for Commission approval revisions to its gas rate schedule SDPUC Volume No. 2, Section No. 6, and electric rate schedule SDPUC Section No. 6, Agreement by Property Owner or Agent to Pay Utility Bills During Periods when Property is Unoccupied. Montana-Dakota is proposing revisions to this Agreement commonly referred to as a Landlord Agreement including changing the name of the agreement to "Continuous Service Agreement". The proposed Agreement is provided as Attachment A and the revised Continuous Service Agreement form has been set forth on 1st Revised Sheet No. 11 and 1st Revised Sheet No. 14.

Montana-Dakota is preparing to convert to a new Customer Information System, and as part of this process, reviewed the current landlord agreement process and forms. As part of this review, the Company identified changes to make the process more efficient while still providing property owners the opportunity to protect their property during periods of tenant vacancies. Montana-Dakota also identified agreements that are no longer valid as the property has been sold to another individual, and the Company was not notified to cancel the previous agreement on file. Therefore, Montana-Dakota will be providing notice of cancellation to all property owners on record with a landlord agreement. The new Continuous Service Agreement along with an explanation regarding the changes associated with the program will be sent at the same time.

Montana-Dakota is proposing to continue to offer the Continuous Service Agreement as a means for property owners/landlords to protect their property. Upon execution of the Continuous Service Agreement, Montana-Dakota will place utility service in the designated party's name to assure uninterrupted service due to a tenant initiated order to stop utility service or because of collection activity, avoiding the electric or gas service from being shut off and eliminating the possibility of damage to the property.

As noted above, Montana-Dakota will provide currently identified landlords with an instructional packet advising the property owner of the action required in order to receive the service and the important changes regarding the landlord agreement. In order to maintain continuous service at their properties, a new agreement will need to be completed, signed and returned to the Company. Customers with a current agreement will be provided at least 45 days notice to respond before the existing agreement is terminated.

Changes from past practice include the following:

- Montana-Dakota previously attempted to contact property owners/landlords concerning impending vacancies of their properties. Montana-Dakota will no longer provide this service, as the process of identifying, locating and contacting landlords and owners has become an unmanageable endeavor.
- Seasonal agreements will no longer be available. The revamped program provides a 12-month continuous service agreement, regardless of the time of year. Previously, some landlords would elect to have the service placed in their name only during the heating season otherwise they would elect to have the service turned off. This is problematic as the property may be left out of service at the start of the heating season, a date that is not known with certainty in Montana-Dakota's service territory.

Montana-Dakota requests approval of the following revised tariff schedules that provide sample forms for the Continuous Service Area Agreement to be effective June 21, 2012:

- Gas Rate Schedule – Section 6 1st Revised Sheet No. 11
- Electric Rate Schedule – Section 6 1st Revised Sheet No. 14

Included herein is a second set of the affected tariffs on which Montana-Dakota has indicated the revisions requested by lining through the existing language which the Company proposes to delete and clearly indicating the new language as proposed.

Included in Attachment B is the South Dakota "Report of Tariff Schedule Change" form required pursuant to ARSD 20:10:13:26.

The Company will comply with ARSD 20:10:13:18 by posting the Notice shown in Attachment C in a conspicuous place in each business office in its affected electric service territory in South Dakota for at least 30 days before the change becomes effective.

Please refer all inquiries regarding this filing to:

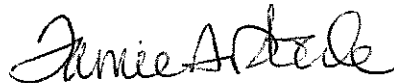
Ms. Tamie A. Aberle
Regulatory Affairs Manager
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501

Also, please send copies of all written inquiries, correspondence and pleadings to:

Mr. Daniel S. Kuntz
Associate General Counsel
MDU Resources Group, Inc.
P.O. Box 5650
Bismarck, ND 58506-5650

This filing has been electronically submitted to the Commission in accordance with ARSD 20:10:01:02:05. Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

Sincerely,



Tamie A. Aberle
Regulatory Affairs Manager

Attachments