



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

June 29, 2012

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

Re: New Bill Format & Miscellaneous Tariff
Revision associated with new Customer
Care and Billing System

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith submits its new consumer utility bill format to the South Dakota Public Utilities Commission (Commission) in accordance Administrative Gas and Electric Rule 20:10:17:03 Information on bills.

In addition to the new bill form, Montana-Dakota requests Commission approval of a change to Optional Seasonal General Gas Service Rate 72 designated as 4th Revised Sheet No. 13 and marked as Exhibit A. The proposed change involves the method used to bill the Cost of Gas rate at the time of the season change. Montana-Dakota is proposing to implement the Cost of Gas rate changes effective June 1 and October 1 on a service rendered basis which means that service used before June 1 will be billed at the winter rate and service used after June 1 will be billed at the summer rate with a corresponding implementation on October 1. Under the current system, and the current tariff, the Cost of Gas change is implemented on a bills rendered basis meaning that all natural gas billed is charged the rate in effect at the time of billing. Montana-Dakota implements all other Cost of Gas changes on a service rendered basis and this tariff change will provide consistency and more accurately reflect the seasonal changes.

Montana-Dakota's new consumer bill form to be implemented at the time of conversion to a new customer billing system is provided in Exhibit B. Samples of accounts billed for the following services are shown:

- Residential customer billed for electric service under Rate 10
- Residential customer billed for natural gas service under Rate 66 and electric service under Rate 10
- Small General customer billed for electric service under Rate 20

As shown on the samples provided in Exhibit B, the new consumer bill form provides customers with a quick summary of the amount due and the date payment is due while also providing pertinent details associated with the service provided, including the

required information in accordance with Administrative Gas and Electric Rule 20:10:17:03 Information on bills.

The new billing form which will be provided on a standard 8½ x 11 inch page size, will be an entirely new presentation providing several enhancements from the present bill form. Following is an explanation of the information provided by reference to the section noted on the bill samples provided in Exhibit B:

- A. Bill Overview** - As noted above, a quick view of the service address, account number, date of the bill, the due date of the bill and the amount the customer owes are provided at the top of the bill.
- B. Account Summary** - This section will provide an accounting of all payments and charges along with the total amount due and the due date.
- C. Bill Segment Details** - Each service is detailed separately in this section of the bill. The separate bill segment details will continue on subsequent pages as needed. The Bill Segment Bill Detail section provides the following information:
 - The service period covered by the bill including the number of days in the bill period.
 - The meter identifier, the date the meter was read, the next scheduled read date and the Commission authorized rate applicable to the service provided.
 - A thirteen month usage history (current plus twelve months of history), for customers with energy only electric meters and all gas meters, will be presented graphically. Electric customers with demand meters will be provided a table displaying the current month and twelve months of billing history.
 - Transparent details of each rate component billed including the prorated amount of consumption and applicable cost of gas, fuel adjustment or other tracking adjustment billed for each period.
 - Each applicable tax charge is shown separately.
- D. Contact Information** - Contact information for the utility, including telephone numbers, the website address, the Customer Service Group's email address and hours of operation including a statement that emergency calls are accepted 24 hours a day, and the Commission's contact information.

- E. Messaging** - A messaging area is available on the bill form to communicate information to customers in lieu of and/or in addition to information provided through bill inserts.
- F. Payment Stub** - This is the perforated section that is intended to be returned with the customer's payment. Customers taking advantage of Montana-Dakota's electronic payment option will see a payment stub that provides the date funds will be withdrawn from their bank account and the amount to be withdrawn.

The back side of the billing statement provides the following information:

1. Ways to Pay the Bill.
2. Billing Terms and Definitions.
3. Montana-Dakota's contact information encouraging customers to set up a payment arrangement if needed.
4. The back of the pay stub provides an area for customers to identify changes in their contact information.

Montana-Dakota will be implementing the new billing form along with the implementation of the Customer Care and Billing System slated for late September, 2012. Prior to implementation, Montana-Dakota will provide a bill insert to all customers explaining the new bill form. In addition, information will be presented on Montana-Dakota's website along with a bill insert included with the new bill. Montana-Dakota is looking forward to moving to the new billing format that provides customers with a quick summary of the amount owing, relevant details of the applicable charges, and comparative information.

Montana-Dakota requests approval of the tariff sheet provided in Exhibit A by August 1, 2012.

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

In accordance with the Administrative Rules of South Dakota (ARSD), 20:10:13:39(6), Montana-Dakota currently has no customers taking service under Rate 72 in South Dakota. Included as Exhibit C 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 Exhibit D in a conspicuous place in each business office in its affected gas service territory in South Dakota for at least 30 days before the change becomes effective.

Please refer all inquiries regarding this filing to:

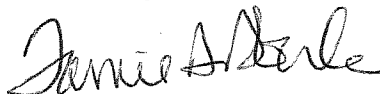
Ms. Tamie A. Aberle
Regulatory Affairs Manager
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501

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

Attachment