



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

October 30, 2009

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

Re: Contract with Deviation
Countertops, Inc.
Docket No. NG09-____

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith electronically submits for Commission approval Section No. 4, 8th Revised Sheet No. 1 (Exhibit A) and a contract with deviation dated October 29, 2009 between Montana-Dakota and Countertops Inc. (Countertops) provided as Exhibit B.

Montana-Dakota and Countertops have entered into a Large Interruptible Transportation Agreement under the terms of the Large Interruptible Transportation Service Rate 82 rate schedule. This is a standard service offering at the maximum rate allowable under Rate 82. The customer has also contracted for 600 dk per day of natural gas to be delivered on a firm basis under the terms of General Service Rate 70 at a Distribution Delivery Charge of \$0.70 per dk discounted from the otherwise applicable Distribution Delivery Charge of \$1.175 per dk causing the need for a contract with deviation. Deliveries under the Large Interruptible Transportation Service Rate 82 rate schedule are scheduled to begin on November 1, 2009. The Firm Service Agreement is for the term December 1, 2009 through November 30, 2010 with the right to extend until either party provides 30 days written notice of termination. Beginning on December 1, 2009, the first 600 dk of natural gas will be delivered to Countertops on a firm basis and charged at the Firm General Service Rate and the discounted Distribution Delivery Charge and all natural gas used above the 600 dk per day firm will be delivered and billed under the Large Interruptible Transportation Service Rate 82 schedule.

Countertops is conducting business in the former Merillat facility, which was also served under a contract with deviation. Countertops will continue to operate the facility as a large volume, high load factor customer, and it is in the best interest of the other customers for Montana-Dakota to offer this discounted agreement which will satisfy Countertop's request for firm sales gas service at a competitive price that allows Montana-Dakota to continue to provide natural gas service to this facility. The existing firm customers will continue to benefit through Countertop's contribution toward pipeline demand costs and distribution cost recovery, which would not exist if Countertops were to utilize an alternate fuel.

Attached as Exhibit C is the South Dakota "Report of Tariff Schedule Change" form required pursuant to ARSD 20:10:13:26.

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 highlighting the new language proposed.

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 electric service territory in South Dakota for at least 30 days before the change becomes effective.

Please refer all inquires regarding this filing to:

Ms. Tamie A. Aberle
Pricing & Tariff Manager
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismarck, ND 58501

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

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

Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this 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,



Donald R. Ball
Vice President-Regulatory Affairs

Attachments

cc: D. Gerdes

Exhibit A

Exhibit A

Tariffs Reflecting Proposed Changes



Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
 400 N 4th Street
 Bismarck, ND 58501

**State of South Dakota
 Gas Rate Schedule – SDPUC Volume No. 2**

Section No. 4
 7th Revised Sheet No. 1
 Canceling 6th Revised Sheet No. 1

LIST OF GAS CONTRACTS WITH DEVIATIONS

Page 1 of 1

<u>Name and Location of Customer</u>	<u>Type or Class of Service</u>	<u>Execution and Expiration Dates</u>	<u>Most Comparable Regular Tariff</u>		
			<u>Schedule No.</u>	<u>Contract Differences</u>	
Morris, Inc.	Firm Commercial	05-10-01 To 11-16-11	Rate 76	Rate	
<u>Merillat Corporation Countertops, Inc.</u>	Firm Commercial	11-01-08 12-01-09 To 10-31-09 11-30-10*	Rate 70	Rate	C C

* Contract provides right to extend until either party provides 30 days written notice of termination.

Date Filed:

Effective Date:

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

Docket No.:

EXHIBIT "C"
REQUEST FOR FIRM NATURAL GAS SALES SERVICE

This document is an attachment to the Gas Transportation Agreement dated 10-29-09 between Montana-Dakota Utilities Co. and COUNTERTOPS INC., covering natural gas transportation service to Customer's facility located at Rapid City, SD.

Daily Firm Service Requirements

January	<u>600</u>	Dk/day
February	<u>600</u>	Dk/day
March	<u>600</u>	Dk/day
April	<u>600</u>	Dk/day
May	<u>600</u>	Dk/day
June	<u>600</u>	Dk/day
July	<u>600</u>	Dk/day
August	<u>600</u>	Dk/day
September	<u>600</u>	Dk/day
October	<u>600</u>	Dk/day
November	<u>600</u>	Dk/day
December	<u>600</u>	Dk/day

I hereby request that these daily maximum quantities be provided to this location pursuant to an approved firm natural gas sales tariff.

Firm gas sales, under Rate 70, at a distribution delivery rate of \$0.70 per dk plus all applicable charges including cost of gas shall commence on December 1, 2009 and expire on November 30, 2010, and shall continue thereafter until either party furnishes the other party 30 days written notice of termination.

COUNTERTOPS INC.

By: _____

By: ANDY BURGESS

(Please print or type)

Agreed to and accepted by Montana-Dakota Utilities Co. this 29 day of October, 2009.

By: _____

Jim Dishon
Jim Dishon
Region Manager

Report of Tariff Schedule Change

NAME OF UTILITY: Montana-Dakota Utilities Co.
 ADDRESS: 400 North Fourth Street
 Bismarck, ND 58501

Section No.	Class of Service	New Sheet No.
4	Firm General Service - Contract with Deviation	8 th Revised Sheet No. 1

Change: Discounted Distribution Delivery Charge under Firm General Service Rate 70
 (State part of tariff schedule affected by change, such as: Applicability, availability, rates, etc.)

Reason for Change Contract Service

Present Rates
 Proposed Rates
 Approximate annual reduction in revenue N/A
 Approximate annual increase in revenue N/A

Points Affected	Estimated Number of Customers Whose Cost of Service will be:					
	Reduced		Increased		Unchanged	
	# of Customers	Amount in \$	# of Customers	Amount in \$	# of Customers	Amount in \$
All	N/A	N/A	N/A	0	N/A	N/A

Include Statement of Facts, expert opinions, documents and exhibits supporting the change requested.

Received: _____

Montana-Dakota Utilities Co.
 (Reporting Utility)

By: _____
 Executive Director
 South Dakota
 Public Utilities Commission

By: Donald R. Ball
 Vice President- Regulatory Affairs
 (Name and Title)

**On October 30, 2009 Montana-Dakota Utilities Co.,
a Division of MDU Resources Group, Inc.,
filed with the South Dakota Public Utilities
Commission a contract with deviation which
affects a large firm general service customer of
Montana-Dakota Utilities Co. in South Dakota.
The revised rate and South Dakota rules and
regulations are available in this office for
inspection. Please inquire at cashier's desk.**