

December 30, 2009

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

Re: In the Matter of the Investigation of the  
Natural Gas Incident of March 14, 2009,  
in Rapid City, SD  
Docket No. PS09-001

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith requests that the Commission close Docket No. PS09-001. This pipeline safety docket was opened by the Commission upon recommendation by Nathan Solem, Acting Pipeline Safety Program Manager for the Commission in order to facilitate an investigation into a natural gas incident occurring on Montana-Dakota's system at 128 East Main Street in Rapid City, South Dakota on March 14, 2009. Mr. Solem subsequently filed a pipeline safety inspection report with Commission on December 21, 2009 and requested the Commission to open a new docket in regard to the compliance review.

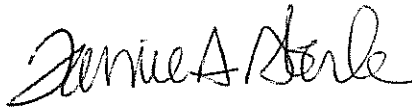
Montana-Dakota has cooperated with Mr. Solem in the investigation of the matter including responding to several data requests submitted to Montana-Dakota through the course of Mr. Solem's investigation. Montana-Dakota also filed reports on November 13, 2009 issued by two independent investigators regarding the March 14, 2009 incident. The report by Richard W. Henderson dated November 10, 2009 and the report by Matthew W. Wilber dated November 11, 2009 both concluded that Montana-Dakota's natural gas system was not the cause of the building explosion at 128 East Main Street in Rapid City, South Dakota.

On November 20, 2009 Montana-Dakota transmitted a letter to the Federal Office of Pipeline Safety requesting that the Electronic Report No. 20090062-4410 filed on 4/10/09 regarding this matter be rescinded based on the determination, made by the experts referenced above, that Montana-Dakota's natural gas system was not the cause of the explosion. Montana-Dakota respectfully requests that the Commission close Docket No. PS09-001 for the same reason.

Montana-Dakota and Midwest Clutch & Repair, through its insurer Midwest Family Mutual Insurance Company, are in the process of completing a testing protocol for Montana-Dakota's gas pipe related to this matter and Midwest Clutch and Repair's union joint located within their facility.

Based on the foregoing, Montana-Dakota believes that the purpose for which this Docket was opened has now been accomplished. If Midwest Clutch & Repair ultimately determines to pursue a damage claim against Montana-Dakota the proper venue for such a claim is in the court system which would have appropriate jurisdiction to resolve disputes regarding any necessary testing protocol as well as to adjudicate the rights and liabilities of the parties. No need exists to maintain this Docket for the sole purpose of fashioning a testing protocol.

Sincerely,



Tamie A. Aberle  
Pricing & Tariff Manager

cc: D. Gerdes  
K. Semmler  
N. Solem  
S. Splittstoesser  
J. Mann  
S. Besmer  
J. Skabo  
T. Westergaard