A Division of MDU Resources Group, Inc.

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

August 15, 2007

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Pierre, SD 57501-5070

Re:

**Fuel Clause Adjustment** 

Docket No. EL07-

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith respectfully files a fuel adjustment, statement attached hereto, in accordance with its Fuel Clause Rate 58. The attached statement shows the following:

Cost/Kwh - 3 months ended July 31, 2007 \$0.024069
Base Cost/Kwh Included in Current Rates 0.014704
Increase(Decrease) from Base Cost \$0.009365

Net Billing Adjustment after 90% Provision

\$0.008429

Montana-Dakota will, unless the Commission otherwise orders, apply the .8429 cents per Kwh to all bills rendered during the month of September 2007. This is an increase of .2011 cents from the August level.

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,

Rita A. Mulkern

Regulatory Analysis Manager

Rita a. Huller

Attachment cc: D. Ball