



MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

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

May 2, 2008

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

Re: Final Tariffs
Docket No. NG08-003

Dear Ms. Van Gerpen:

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group Inc., herewith electronically files the following tariff sheets reflecting the effective dates of May 1, 2008, pursuant to action taken by the Commission at its April 22, 2008 Agenda Meeting.

Volume 2 Section 3

- 2nd Revised Sheet No. 31

Sincerely,

Tamie A. Aberle
Pricing and Tariff Manager

Attachment



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. 3
 2nd Revised Sheet No. 31
 Canceling 1st Revised Sheet No. 31

**EXPERIMENTAL CONSERVATION PROGRAM
 TRACKING MECHANISM Rate 90**

Page 1 of 1

Applicability:

This rate schedule represents an Experimental Conservation Program Tracking Mechanism and specifies the procedure to be utilized to recover the costs of a portfolio of conservation programs consisting of a Customer Conservation Starter Kit Program, a High-Efficiency Furnace Program and a Programmable Thermostat Program, as authorized by the Commission, including the recovery of distribution delivery charge revenues reduced as a result of the conservation programs. Service provided under the Company's Residential Service Rates 60 and 66 and Firm General Service Rates 70, 72 and 76 shall be subject to this tracking mechanism. This experimental program shall expire on April 30, 2009.

Conservation Program Tracker:

An adjustment per dk will be determined for each rate schedule subject to the Conservation Program Tracking Mechanism. Monthly bills beginning with the first billing cycle following May 1, 2006 and each May 1 thereafter, will be adjusted by the application of the Conservation Tracking Adjustment rate indicated below. The rate will reflect the amortization of the conservation program costs including the dk savings associated with each measure implemented in the prior 12 month period. The currently authorized Distribution Delivery Charge will be applied to the dk savings to compute the reduction in Distribution Delivery revenues associated with the conservation programs. The total program costs including the lost distribution revenues will be amortized over projected volumes to be sold over the next 12 month period. Following the initial one-year term, and annually thereafter, the Conservation Program Tracker rate calculation shall include any over or under collection of revenue from the preceding twelve month recovery period.

Conservation Tracking Adjustment:

Black Hills	\$.004 per dk	C
East River	\$.002 per dk	C

Date Filed:	March 28, 2008	Effective Date:	Bills rendered on and after May 1, 2008
Issued By:	Donald R. Ball Vice President-Regulatory Affairs		
Docket No.:	NG08-003		