

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

March 3, 2014

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

## Re: Interim Rate Refund Compliance Filing Docket No. NG12-008

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith electronically submits this Interim Rate Refund Compliance Filing in the above referenced docket.

Montana-Dakota initially requested approval to increase rates for natural gas service by approximately \$1.5 million in the above referenced docket. The Commission authorized an increase in revenues of \$898,778, or 41.939% of the interim increase implemented July 22, 2013.

Montana-Dakota reports that the total interim revenues collected equated to \$476,306 resulting in the total dollars to be refunded to the Company's Black Hills customers of \$203,831 including interest at seven percent, or 42.794 percent. The refund was calculated by multiplying the actual interim charges collected during the July 22, 2013 through November 30, 2013 time period by 41.939%, and applying interest at the annual Consumer Deposit Rate of seven percent to the average monthly refund balance, for a refund factor of 42.794 percent. The calculation of the refund factor is shown in Attachment A.

On February 5, 2014, a total of \$201,346 was credited to customer accounts for active customers and checks were issued if the account was inactive and the refund was \$3.00 or greater in accordance with the Commission's order issued January 8, 2014. The remaining balance of \$2,483 is the amount associated with customers no longer with an active account with a refund of less than \$3.00 and the difference due to rounding. This un-refunded balance has been credited to the Unrecovered Purchased Gas Cost Account. A breakdown of the refund by rate class is shown in Attachment B.

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,

Jame Arterle

Tamie A. Aberle Director of Regulatory Affairs

Attachments

cc: Brett Koenecke