BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY MONTANA-DAKOTA UTILITIES CO. FOR APPROVAL OF TARIFF REVISIONS

ORDER APPROVING TARIFF REVISIONS NG07-010

On March 30, 2007, Montana-Dakota Utilities Co. (MDU), filed for approval with the Public Utilities Commission (Commission) tariff revisions to revise its policy regarding seasonal reconnection charges applicable to certain natural gas customers under General Provisions Rate 100. The proposed revisions would provide seasonal business customers credit for volumes of natural gas used during the time in service when calculating the applicable reconnection charge. On May 7, 2007, the Commission received an amendment to the original filing from MDU. The amendment revised MDU's filing by specifying that only usage in excess of class average volumes would offset avoided reconnection charges and also that only non-space heating business entities are eligible for this rate treatment.

Section No. 5, 2nd Revised Sheet No. 1.15, canceling 1st Revised Sheet No. 1.15

Section No. 5, 2nd Revised Sheet No. 1.16, canceling 1st Revised Sheet No. 1.16

At its regularly scheduled meeting of May 8, 2007, the Commission considered approval of the application. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-34A. Further, the revisions are just and reasonable and shall be approved, subject to MDU submitting an annual report to the Commission for three consecutive years with the first report due one year from the date of this Order. The report shall contain a listing of the customers utilizing the rate treatment approved in this Docket, the process for which gas was used by each customer, the dates that each customer both disconnected and reconnected within the annual reporting period, and the monthly volumes of natural gas used during the annual reporting period. As the Commission's final decision in this matter, it is therefore

ORDERED, that MDU's revised tariffs as described above are approved, subject to MDU submitting an annual report for the above three year period.

Dated at Pierre, South Dakota, this 24 th day of May, 2007.

CERTIFICATE OF SERVICE The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon. Date (OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chairman

GARY HANSON, Commissioner

STÉVE KOLBECK, Commissioner