

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION OF)	ORDER APPROVING
MONTANA-DAKOTA UTILITIES COMPANY, A)	PURCHASED GAS COST
DIVISION OF MDU RESOURCES GROUP, INC.)	ADJUSTMENT
FOR APPROVAL OF REVISIONS TO ITS)	
PURCHASED GAS COST ADJUSTMENT,)	NG98-013
RATES 88 AND 89)	

On December 14, 1998, Montana-Dakota Utilities Company (MDU) filed with the Public Utilities Commission (Commission) an application for approval to revise its Purchased Gas Cost Adjustment, Rates 88 and 89, to change the minimum threshold which necessitates the filing of revised PGA rate adjustments. According to the application, "MDU's currently authorized tariffs provide for changing the PGA each month when the average cost of gas supply changes by at least \$0.001 per dk. MDU is proposing to modify the existing PGA tariffs to provide for changing the PGA each month when the average cost of gas supply changes by at least 10 cents per dk. The May 1 PGA will be filed each year, regardless of the amount of the change. The proposed change will not significantly affect the amounts that will be reflected in the balancing account." MDU requests that the proposed tariff changes be made effective February 1, 1999, in conjunction with the regularly scheduled PGA. The revised tariffs are as follows:

Section No. 3, 3rd Revised Sheet No. 29
Section No. 3, 4th Revised Sheet No. 30

At its regularly scheduled December 30, 1998, meeting, the Commission considered MDU's application. Commission Staff recommended approval of the application.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically, 49-34A-2, 49-34A-6, 49-34A-8, 49-34A-10 and 49-34A-25. Further, the Commission finds that the revisions to the tariff are just and reasonable and shall be approved. It is therefore

ORDERED that the above-referenced revised tariff schedules are approved and are effective for service rendered on and after February 1, 1999.

Dated at Pierre, South Dakota, this 6th day of January, 1999.

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.

By: Neldine Kalbo

Date: 1/6/99

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner