

October 24, 2007

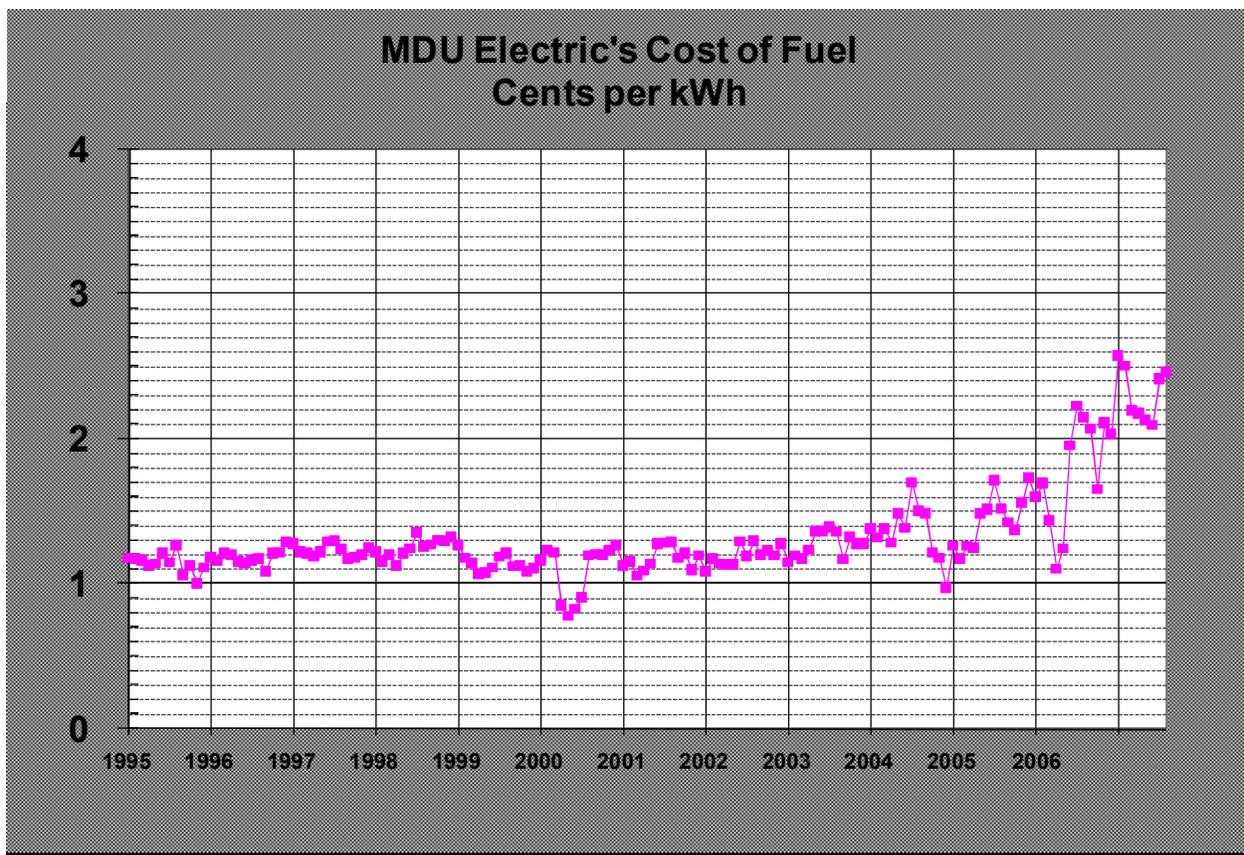
**Montana-Dakota Utilities Co., A Division of
MDU Resources Group, Inc.
October 2007
Fuel Cost Adjustment**

Case No. PU-07-708

MDU increased its electric fuel cost adjustment by 0.050 cents per kWh from 1.105 cents per kWh. The resulting fuel cost adjustment for October is 1.155 cents per kWh.

Combining MDU's Fuel Cost Adjustment with its 1.303 cents per kWh base cost of fuel already included in base tariff rates brings MDU's total average cost of fuel and purchased energy for billing during October to 2.458 cents per kWh as shown on the graph below.

As a result of this change, the electric bill for a typical MDU residential customer consuming 750 kWh per month will increase by \$0.38 for bills rendered in the month of October.



JRL