
Section 1: 8-K (MDU RESOURCES FORM 8-K)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) February 19, 2019

MDU Resources Group, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-03480
(Commission File Number)

30-1133956
(I.R.S. Employer Identification No.)

1200 West Century Avenue
P.O. Box 5650
Bismarck, North Dakota 58506-5650
(Address of principal executive offices)
(Zip Code)

Registrant's telephone number, including area code (701) 530-1000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

On February 19, 2019, MDU Resources Group, Inc. (the "Company") issued a press release announcing their subsidiary Montana-Dakota Utilities Co. intends to retire three aging electric generation units and construct a simple-cycle combustion turbine. A copy of the press release, which the Company is furnishing to the Securities and Exchange Commission, is attached as Exhibit 99.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are being furnished as part of this report.

<u>Exhibit Number</u>	<u>Description</u>
99	<u>Press release issued February 19, 2019, announcing Montana-Dakota Utilities intends to retire aging generation.</u>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MDU RESOURCES GROUP, INC.


Date February 19, 2019

By /s/ Jason L. Vollmer
Jason L. Vollmer
Vice President, Chief Financial
Officer and Treasurer

3

[\(Back To Top\)](#)

Section 2: EX-99 (MDU RESOURCES EXHIBIT 99)

 396797809_mdurirpressreleasebasa09.jpg

MDU Resources Subsidiary Plans Retirement of Aging Generation Units; New Generation Build

BISMARCK, N.D. - *February 19, 2019* - MDU Resources Group, Inc., (NYSE: MDU) subsidiary Montana-Dakota Utilities announced today that it intends to retire three aging coal-fired electric generation units at two locations within the next two to three years and construct a new simple-cycle natural gas combustion turbine to cost-effectively meet the needs of its customers.

The analysis done while preparing the integrated resource plan (IRP), which the company puts together every two years and files with regulatory commissions, points to the retirement of two aging coal-fired plants and the construction of the natural gas combustion turbine. Low-cost power available on the market, due to low-cost natural gas and increasing wind resources, as well as rising costs to operate these facilities, led to the decision to retire the coal plants. The retirements are expected around the end of 2020 for Lewis & Clark Station in Sidney, Montana, and around the end of 2021 for units 1 and 2 at Heskett Station in Mandan, North Dakota. These dates may be impacted by the company's coal supplier's pending bankruptcy proceeding.

The company has begun the development process to construct an 88-megawatt simple-cycle peaking unit at the Heskett Station site, and anticipates submitting an advance determination of prudence request with the North Dakota Public Service Commission this fall.

The new generation resource was selected as part of Montana-Dakota's IRP. The company believes a second combustion turbine at Heskett will be cost-effective because the site has existing infrastructure and natural gas supply that serves an existing combustion unit that went online in 2014.

"Our main objective is to provide our customers with safe, reliable and low-cost service," said Nicole Kivisto, president and CEO of Montana-Dakota. "The IRP process helps guide us in making decisions to meet those objectives. Heskett and Lewis & Clark have met that objective for many years, but our analysis is showing those units are no longer cost competitive for our customers."

The total cost of building and operating a new simple-cycle combustion turbine, coupled with market purchases, is expected to be about half the total cost of continuing to run the Heskett and Lewis & Clark coal-fired units.

The first coal-fired unit at Heskett went online in 1954 and the second unit in 1963. They combine for 100 MW of power. Lewis & Clark went online in 1958 and provides 44 MW of power. If the company meets the proposed retirement timeline, the plants will range in age from 58-67 years old.

“The plants have served our customers well, providing low-cost energy for many years, operating roughly twice as long as expected when they were constructed in the mid-1950s and early 1960s,” Kivisto said. “The age of the plants, low-cost competition on the market, and the ongoing cost to operate the plants all have contributed to the plants being too expensive to operate much longer.”

Montana-Dakota has conducted an IRP for many years. The IRP is a way to consider all resource options reasonably available to meet the end-use customer’s demand for reliable and cost-effective energy, and

provide a road map for Montana-Dakota's future resources. The IRP process includes four areas: Load forecasting, demand-side analysis, supply-side analysis, and integration and risk analysis.

Montana-Dakota's customers also have benefited from low-cost energy available on the MISO market and the long-range forecast calls for similar savings in future years. MISO, or the Midcontinent Independent System Operator, is a not-for-profit member-based organization that ensures reliable, least-cost delivery of electricity across all or parts of 15 U.S. states and one Canadian province. In cooperation with stakeholders, MISO manages approximately 65,000 miles of high-voltage transmission and 200,000 MW of power-generating resources across its footprint.

Montana-Dakota currently employs 77 people between the two coal stations. Once the units are no longer in operation, Montana-Dakota estimates approximately 10 employees will be needed to operate the two natural gas-fired combustion turbine units at Heskett and the two natural gas-fired reciprocating internal combustion engines at Lewis & Clark. A plan is in place intended to maintain staff until the plant retirements, and the company will offer training for employees who wish to fill open positions in other areas of the company.

About MDU Resources

MDU Resources Group, Inc., a member of the S&P MidCap 400 index and the S&P High-Yield Dividend Aristocrats index, is Building a Strong America® by providing essential products and services through its regulated energy delivery and construction materials and services businesses. For more information about MDU Resources, see the company's website at www.mdu.com or contact the Investor Relations Department at investor@mduresources.com.

About Montana-Dakota Utilities

Montana-Dakota Utilities Co., a subsidiary of MDU Resources, distributes natural gas and generates, transmits and distributes electricity and provides related services in the northern Great Plains. The company serves approximately 143,000 electric customers and 275,000 natural gas customers in 262 communities in North Dakota, South Dakota, Montana and Wyoming.

Forward-Looking Statement

The information in this release includes certain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements contained in this release, including statements made by the president and CEO of Montana-Dakota and statements relating to plans and expectations regarding the construction of a simple cycle combustion turbine, retirement of existing generating stations, related costs and other benefits, and Montana-Dakota's integrated resource plan, are expressed in good faith and are believed by the company to have a reasonable basis. Nonetheless, actual results may differ materially from the projected results expressed in the forward-looking statements. For a discussion of important factors that could cause actual results to differ materially from those expressed in the forward-looking statements, refer to Item 1A-Risk Factors in MDU Resources' most recent Form 10-Q and 10-K.

Media Contact: Mark Hanson, senior public relations representative, 701-530-1093

Financial Contact: Jason Vollmer, vice president, chief financial officer and treasurer, 701-530-1755