

MDU RESOURCES GROUP INC
Form S-3ASR
November 21, 2008

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON NOVEMBER 21, 2008

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
under
THE SECURITIES ACT OF 1933

MDU RESOURCES GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or
organization)

41-0423660
(I.R.S. Employer
Identification Number)

1200 West Century Avenue
P.O. Box 5650
Bismarck, ND 58506-5650
(701) 530-1000
(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)

Terry D. Hildestad
President and Chief
Executive Officer
MDU Resources Group,
Inc.
1200 West Century
Avenue
Bismarck, ND
58506-5650
(701) 530-1000

Vernon A. Raile
Executive Vice President, Treasurer and
Chief Financial Officer
MDU Resources Group, Inc.
1200 West Century Avenue
Bismarck, ND 58506-5650
(701) 530-1000

Elizabeth W. Powers, Esq.
Dewey & LeBoeuf LLP
1301 Avenue of the
Americas
New York, New
York 10019
(212) 259-8000

(Name, address, including zip code, and telephone number,
including area code, of agents for service)

Edgar Filing: MDU RESOURCES GROUP INC - Form S-3ASR

Approximate date of commencement of proposed sale to public: On and after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

CALCULATION OF REGISTRATION FEE

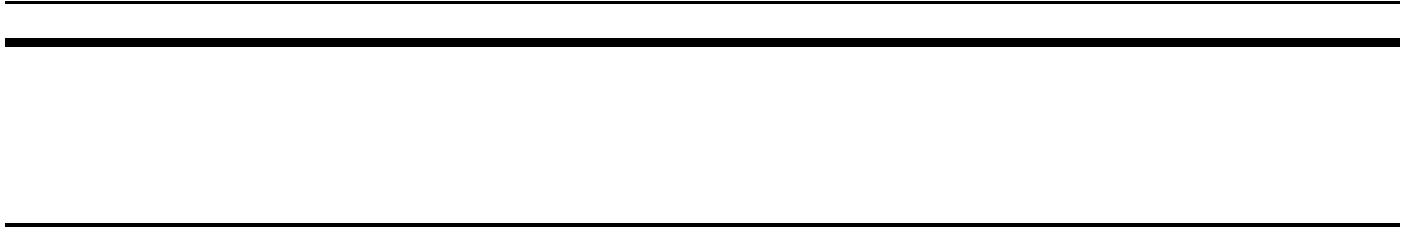
Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
Common stock, \$1.00 par value	2,557,910 shares	\$ (2)	\$ (2)	\$ (2)
Preference share purchase rights (3)	2,557,910 rights	$\frac{3}{4}$	$\frac{3}{4}$	(3)

(1) Pursuant to Rule 416(a) under the Securities Act of 1933, this registration statement also covers any additional securities to be offered or issued in connection with a stock split, stock dividend or similar transaction.

(2) This registration statement is filed in accordance with Rule 415(a)(6) of the Securities Act and registers only securities that were previously registered and remain unsold. In accordance with Rule 415(a)(6), no registration fee is due.

(3) Since no separate consideration is paid for the preference share purchase rights, the registration fee for those securities was included in the fee for the common stock. The value attributable to the preference share purchase rights, if any, is includable in the market price for the common stock.

This registration statement includes 2,557,910 shares of common stock and rights that were previously registered pursuant to Registration Statement No. 333-06127 filed by the registrant on June 17, 1996 and that remain unsold. Pursuant to Rule 415(a)(6), \$8,424 of filing fees previously paid in connection with these unsold securities will continue to be applied to such unsold securities.



PROSPECTUS

MDU RESOURCES GROUP, INC.
DIVIDEND REINVESTMENT
AND
DIRECT STOCK PURCHASE PLAN
2,557,910 Shares of Common Stock

Our Dividend Reinvestment and Direct Stock Purchase Plan provides you with a simple and convenient method of purchasing our common stock and reinvesting cash dividends in shares of common stock without incurring brokerage commissions or service charges. Current record holders of our common stock and preferred stock can purchase our common stock by reinvesting all or a portion of their cash dividends and/or making optional cash investments. Interested investors who are not already stockholders can participate in the plan by making an initial investment of at least \$250 or authorizing automatic monthly withdrawals from a bank account of at least \$25 per month for a minimum of ten consecutive months.

The plan allows you to:

- purchase our common stock through cash investments made by check or by automatic monthly withdrawals from a checking or savings account
- elect to have cash dividends paid on all or a percentage of your shares automatically reinvested in shares of our common stock and
- sell or transfer shares held in the plan.

We list our shares of common stock on the New York Stock Exchange under the symbol "MDU". The closing price of our common stock on the New York Stock Exchange on November 20, 2008 was \$15.59 per share.

Our principal executive offices are located at 1200 West Century Avenue, Bismarck, North Dakota 58506-5650, and our telephone number is (701) 530-1000.

If you are not a current owner of common stock, you may purchase shares through Wells Fargo Investments, LLC. We offer common stock through Wells Fargo Investments, LLC, to the extent required by applicable law in certain jurisdictions.

Please see "Risk Factors" on page 3 of this prospectus and review the risk factors that we have disclosed in our public filings under the Securities Exchange Act of 1934, as amended. You should also review the documents incorporated by reference in this prospectus for additional factors you should consider.

Please read this prospectus carefully before investing and retain it for your future reference. We and the plan administrator cannot assure you of a profit or protect you against a loss on the shares of common stock you purchase under the plan.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 21, 2008.

TABLE OF CONTENTS

	Page
<u>Plan Summary and Changes to the Plan</u>	<u>2</u>
<u>Risk Factors</u>	<u>3</u>
<u>Forward-Looking Statements</u>	<u>4</u>
<u>Direct Registration</u>	<u>5</u>
<u>MDU Resources Group, Inc.</u>	<u>6</u>
<u>Description of the Plan</u>	<u>7</u>
<u>Introduction</u>	<u>7</u>
<u>Plan Administration</u>	<u>8</u>
<u>Account Forms</u>	<u>10</u>
<u>Enrollment</u>	<u>11</u>
<u>Dividend Reinvestment</u>	<u>12</u>
<u>Optional Cash Investments</u>	<u>14</u>
<u>Changing Your Investment Options</u>	<u>16</u>
<u>Purchase of Shares</u>	<u>16</u>
<u>Expenses Related to Purchases</u>	<u>18</u>
<u>Certificates for Shares</u>	<u>19</u>
<u>Share Transfers and Gifts</u>	<u>20</u>
<u>Sale of Shares</u>	<u>21</u>
<u>Account Access</u>	<u>22</u>
<u>Account Statements</u>	<u>24</u>
<u>Termination of Participation</u>	<u>25</u>
<u>Other Information</u>	<u>26</u>
<u>Use of Proceeds</u>	<u>29</u>
<u>Dividend Policy</u>	<u>29</u>
<u>Material U.S. Federal Income Tax Consequences</u>	<u>29</u>
<u>Where You Can Find More Information</u>	<u>33</u>
<u>Incorporation by Reference</u>	<u>33</u>
<u>Experts</u>	<u>34</u>
<u>Legal Opinions</u>	<u>35</u>

You should rely only on the information contained in, or incorporated by reference in, this prospectus. We have not authorized anyone else to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it.

No offer of these securities is being made in any state where the offer is not permitted.

You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front cover of this prospectus or that the information incorporated by reference in this prospectus is accurate as of any date other than the date of the document incorporated by reference.

(i)

Table of Contents

PLAN SUMMARY AND CHANGES TO THE PLAN

Dividend Reinvestment. You may elect to reinvest cash dividends on all, some or none of your shares of common stock, preferred stock or preferred stock A. In this prospectus, we refer to our preferred stock and preferred stock A collectively as our preferred stock. The plan administrator will use cash dividends paid on shares as to which you elect reinvestment to purchase shares of common stock, which will be added to your plan account. We will pay cash dividends on shares as to which you do not elect reinvestment to you by check or direct deposit. See question 10.

Optional Cash Investments. After enrolling in the plan, you may purchase shares of our common stock through the plan in any amount from a minimum of \$25 per investment to a maximum of \$10,000 per month. You may make optional cash investments by authorizing automatic monthly withdrawals from your bank account or by sending a check to the plan administrator at any time. See question 14.

Enrollment. To enroll in the plan, you must complete and sign an account authorization form and return it to the plan administrator or establish online access and enroll over the internet. See question 7.

Initial Investment. If you are not a registered owner of our common or preferred stock, you may purchase common stock through an initial investment of at least \$250 or authorize automatic monthly withdrawals from your bank account of at least \$25 per month for a minimum of ten consecutive months. See question 8.

Price of Shares Purchased Through the Plan. The price of common stock purchased through the plan will depend on whether the shares are purchased directly from us or on the open market. The price per share for shares purchased on the open market will be the weighted average price paid for all shares acquired by the plan on the applicable investment date. The price of shares acquired directly from us will be the average of the high and low sale prices on the applicable investment date. See question 17.

Frequency of Purchases. The plan administrator will typically make purchases on (a) Tuesday of each week or, if Tuesday is not a trading day, the next trading day or (b) in any week in which a cash dividend is paid, the dividend payment date or, if the dividend payment date is not a trading day, the next trading day. See question 19.

Certificate Deposit. You may deposit common stock certificates with the plan administrator for safekeeping. The shares represented by these certificates will be converted to book-entry shares and held in your plan account. See question 23.

Table of Contents

Plan Accounts. Shares of common stock held in the plan – whether purchased through optional cash investments or dividend reinvestment, deposited for safekeeping or otherwise – will be reflected in book-entry form in an account in your name.

Certificate Issuance. You may receive stock certificates for any whole shares held in your plan account without charge at any time upon request. See question 22.

Selling Shares. You may direct the plan administrator to sell shares of common stock held in your plan account. You will be charged broker's commissions and service fees in connection with sales from your plan account. See questions 26 and 27.

Share Transfers and Gifts. You can transfer shares from your account to another person and/or purchase shares for others as a gift. See questions 24 and 25.

Changes to the Plan. This prospectus reflects changes to our Dividend Reinvestment and Direct Stock Purchase Plan as follows:

- The service fee charged in connection with the sale of shares under the plan increases from \$10 per transaction to \$15 per transaction, effective February 1, 2009. The broker commission of \$0.10 per share sold remains the same. See question 27.
- We now participate in e-delivery, where you may access your account statements, tax forms and stockholder communications electronically over the internet, if you consent to do so. See question 31.

RISK FACTORS

Investing in our common stock involves risks. You are urged to read and consider the risk factors described below and in any prospectus supplement as well as those described in our annual, quarterly and current reports filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, which are incorporated by reference in this prospectus. If any of the risks and uncertainties described in this prospectus or any prospectus supplement or the documents incorporated by reference in this prospectus actually occur, our business, financial condition and results of operations could be adversely affected in a material way. This could cause the trading price of our common stock to decline, perhaps significantly, and you may lose part or all of your investment. Before making an investment decision, you should carefully consider these risks as well as other information that we include or incorporate by reference in this prospectus.

Table of Contents

The price of our common stock may rise during the period between making an optional cash investment, its receipt by the plan administrator and the actual purchase of the stock.

Participants in the plan have no control over or authority to direct the timing or price at which shares of common stock are purchased for their accounts. You bear this risk by participating in the plan. You will not earn interest on funds held by the plan administrator pending their investment in common stock.

The price of our common stock may fall during the period between a request for sale, its receipt by the plan administrator and the sale in the open market.

Participants should be aware that the price of our common stock may fall during the period between a request for sale, its receipt by the plan administrator and the sale of the stock in the open market. You bear this risk by participating in the plan. Therefore, you should evaluate this possibility when deciding whether and when to sell any shares through the plan.

FORWARD-LOOKING STATEMENTS

This prospectus contains or incorporates forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are all statements other than statements of historical fact, including without limitation those statements that are identified by the words "anticipates," "estimates," "expects," "intends," "plans," "predicts" and similar expressions, and include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions – many of which are based, in turn, upon further assumptions – and other statements that are other than statements of historical facts. From time to time, we may publish or otherwise make available forward-looking statements of this nature.

Forward-looking statements involve risks and uncertainties, which could cause actual results or outcomes to differ materially from those expressed. Our expectations, beliefs and projections are expressed in good faith and are believed by us to have a reasonable basis, including without limitation management's examination of historical operating trends, data contained in our records and other data available from third parties. Nonetheless, our expectations, beliefs, or projections may not be achieved or accomplished.

Any forward-looking statement contained in this prospectus or any document incorporated by reference in this prospectus speaks only as of the date on which the statement is made. New factors emerge from time to time, and it is not possible for us to predict all of the factors, nor can we assess the effect of each factor on our business or

Table of Contents

the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. All forward-looking statements, whether written or oral and whether made by or on behalf of us, are expressly qualified by the risk factors and cautionary statements contained in or incorporated by reference in this prospectus, including statements contained in "Risk Factors."

DIRECT REGISTRATION

We are a participant in the direct registration system. Direct registration is a method of recording stock ownership in book-entry form, which allows stock to be owned, reported and transferred electronically without issuing a physical certificate. Book-entry means that your stock is registered in your name on our books without the need for physical stock certificates. Your uncertificated stock has the same rights and privileges as stock evidenced by a physical certificate.

Direct registration is a free service that:

- eliminates the risk and cost associated with keeping physical stock certificates
- eliminates the time and expense associated with replacing lost, stolen or destroyed stock certificates and
- allows you to move shares electronically to a broker or to other registered accounts.

If you hold stock through our direct registration system, Wells Fargo Shareowner Services, a division of Wells Fargo Bank, N.A., our transfer agent and registrar, will establish and maintain your direct registration account and provide you with a direct registration statement of ownership reflecting the number of shares of stock registered in your name on our books. Wells Fargo will send you a new statement of ownership each time there is activity in your account.

Once you begin participation in our direct registration system, any future transactions will be handled through the direct registration system rather than with physical certificates unless you specify otherwise.

You may send any common or preferred stock certificates you are currently holding for conversion into our direct registration system by sending the stock certificates to Wells Fargo Shareowner Services, a division of Wells Fargo Bank, N.A., with a request to deposit them into your direct registration account. There is no cost to you for this custodial service. Your certificates should not be endorsed, and we recommend sending your certificates by registered mail, insuring them for 2% of the current market value.

Table of Contents

You may sell your direct registration shares through Wells Fargo at a cost of \$15.00 per transaction plus \$0.10 per share commission or by electronically transferring the shares to your bank or broker and selling the shares through your bank or broker.

You may move electronically all or a portion of your direct registration shares to your bank or broker at any time. To do so, provide your bank or broker with a copy of your direct registration account statement.

Your direct registration account is separate from your dividend reinvestment plan account. You may deposit your common stock certificates in either your direct registration account or your dividend reinvestment plan account. You may deposit your preferred stock certificates only in your direct registration account. See questions 11 and 23.

MDU RESOURCES GROUP, INC.

We are a diversified natural resource company which was incorporated under the laws of the State of Delaware in 1924. Our principal executive offices are at 1200 West Century Avenue, P.O. Box 5650, Bismarck, North Dakota 58506-5650, telephone (701) 530-1000. Our internet address is www.mdu.com.

Montana-Dakota Utilities Co., one of our public utility divisions, through the electric and natural gas distribution segments, generates, transmits and distributes electricity and distributes natural gas in Montana, North Dakota, South Dakota and Wyoming. Great Plains Natural Gas Co., another of our public utility divisions, distributes natural gas in southeastern North Dakota and western Minnesota. Cascade Natural Gas Corporation, a wholly owned subsidiary, distributes natural gas in Washington and Oregon. Intermountain Gas Company, a wholly owned subsidiary, distributes natural gas in Idaho. These operations also supply related value-added products and services.

We, through our wholly owned subsidiary, Centennial Energy Holdings, Inc., own WBI Holdings, Inc., Knife River Corporation, MDU Construction Services Group, Inc., Centennial Energy Resources LLC and Centennial Holdings Capital LLC.

WBI Holdings is comprised of the pipeline and energy services and the natural gas and oil production segments. The pipeline and energy services segment provides natural gas transportation, underground storage and gathering services through regulated and nonregulated pipeline systems primarily in the Rocky Mountain and northern Great Plains regions of the United States. The pipeline and energy services segment also provides energy-related management services. The natural gas and oil production segment engages in natural gas and oil acquisition, exploration, development

Table of Contents

and production activities in the Rocky Mountain and Mid-Continent regions of the United States and in and around the Gulf of Mexico.

Knife River Corporation is comprised of the construction materials and contracting segment. Knife River Corporation mines aggregates and markets crushed stone, sand, gravel and related construction materials, including ready-mixed concrete, cement, asphalt, liquid asphalt and other value-added products, as well as performing integrated construction services. Knife River Corporation operates in the central, southern and western United States, and Alaska and Hawaii.

MDU Construction Services Group, Inc. is comprised of the construction services segment. MDU Construction Services Group, Inc. specializes in constructing and maintaining electric, gas pipeline and communication lines, fire protection systems, and external lighting and traffic signalization equipment. MDU Construction Services Group, Inc. also provides utility excavation services, inside electrical wiring, cabling and mechanical services, and manufactures and distributes specialty equipment.

Centennial Energy Resources LLC owns interests in the companies owning certain electric transmission lines in Brazil.

Centennial Holdings Capital LLC insures various types of risks as a captive insurer for certain of our subsidiaries. The function of the captive insurer is to fund the deductible layers of the insured companies' general liability and automobile liability coverages. Centennial Holdings Capital LLC also owns certain real and personal property.

DESCRIPTION OF THE PLAN

INTRODUCTION

1. What is the purpose of the plan?

The purpose of the plan is to provide participants with a simple and convenient method of automatically investing all or a portion of their cash dividends and/or making optional cash investments to purchase shares of our common stock, without paying brokerage commissions or service charges. In addition, when we direct the plan administrator to purchase common stock directly from us, the plan provides us with a cost-efficient way to raise additional capital.

2. What are the advantages to participating in the plan?

Participation in the plan has the following advantages:

- You will not pay brokerage commissions or service fees in connection with purchases under the plan. See question 21.

Table of Contents

- Full investment of funds is possible under the plan because the plan permits fractional shares, as well as whole shares, to be credited to your account. See question 18.
- Since the plan administrator holds shares in your account in book-entry form, you will avoid the cost and risk associated with the storage, loss, theft or destruction of stock certificates. You may receive stock certificates without charge at any time, upon request. See question 22.
- Your recordkeeping is simplified, since you will receive a statement of your plan account after any account activity occurs. See question 31.
 - You can execute certain transactions over the telephone or online. See questions 28 and 29.

3. What are the disadvantages to participating in the plan?

Participation in the plan has the following disadvantages:

- You will not be able to time precisely your purchases through the plan and will bear the market risk associated with the fluctuations in the price of the common stock pending investment of funds under the plan. See questions 19 and 20.
- Execution of sales of shares held in the plan may be subject to delay. You will bear the market risk associated with the fluctuations in the price of the common stock pending the sale of your shares pursuant to the plan. See question 26.
- You will not earn interest on funds held by the plan administrator pending their investment. See question 19.
- You may not pledge the shares credited to your plan account until you withdraw the shares from the plan. See question 41.
- Plan accounts are not insured by the Securities Investor Protection Corporation, the Federal Deposit Insurance Corporation or any other entity.

PLAN ADMINISTRATION

4. Who administers the plan?

Wells Fargo Shareowner Services, a division of Wells Fargo Bank, N.A., who we refer to in this prospectus as the plan administrator, administers the plan. The plan administrator is responsible for:

- enrolling new participants in the plan

Table of Contents