



Electric Interim Rate Increase

Effective June 18, 2010

How to calculate your bill

This information is to assist you in checking your bill. A residential service (Rate 10) is used for this example.

1. Assume a month's use of 750 Kwh used during the summer period.
 2. Base Rate.....\$5.50
 3. Energy Charge:
750 Kwh @ \$0.06830.....\$51.23
 4. Fuel Clause Adjustment (as of June 1, 2010)
750 Kwh @ \$0.00674.....\$5.06
 5. Margin Sharing Adjustment (as of April 1, 2010)
750 Kwh @ \$0.0021.....\$1.58
 6. Interim Rate Increase
(\$5.50 + \$51.23) x 7.91%.....\$4.49
- Total Bill (not including tax)\$67.86**

On April 19, 2010, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the North Dakota Public Service Commission (Commission) for an increase in rates charged to its customers for electric service. If approved by the Commission, the proposed new rates will result in an increase in total revenue of \$15.4 million or 14 percent on average. The primary reasons for the requested increase are to recover the cost of Montana-Dakota's investment in renewable energy generation, increased investment in other electric facilities and the loss of wholesale sales margins.

State law allows Montana-Dakota to charge an interim rate while the Commission considers the Company's request. On June 16, 2010, the Commission approved an interim rate increase in the amount of \$7.6 million or an increase of 7.91 percent to be applied to all bills excluding the Fuel Cost Adjustment and Margin Sharing Adjustment, and before any applicable taxes. Residential customers using 750 Kwh will see an increase of \$4.49 per month.

From the date of the Company's filing, the Commission is allowed seven months to issue a final decision. If the final approved increase is lower than the interim increase, Montana-Dakota will refund the difference to its customers with interest.

The interim rate increase will be effective with service rendered on and after June 18, 2010. The interim increase will be applied as a percent of your electric service bill (excluding the Fuel Clause Adjustment and Margin Sharing Adjustment and any taxes) and will be shown as a separate line item on your bill.



The first bill you receive may be prorated, depending on the date your meter is read. This means that only the portion of your electric service bill for service on and after June 18, 2010 will reflect the interim rate increase.

Current applicable rates for various classes of service are shown below:

Residential Electric Service – Rate 10

Base Rate	\$5.50 per month
Energy Charge October – May	
First 750 Kwh per month	6.830¢ per Kwh
Over 750 Kwh per month	3.431¢ per Kwh
Energy Charge June – September...	6.830¢ per Kwh
Fuel Clause Adjustment.....	0.674¢ per Kwh
Margin Sharing Adjustment.....	0.210¢ per Kwh
Interim Rate Increase.....	7.91%*

Small General Electric Service – Rate 20

Base Rate	\$20.00 per month
Energy Charge October – May	
First 750 Kwh per month	6.789¢ per Kwh
Over 750 Kwh per month	3.431¢ per Kwh
Energy Charge June – September...	6.789¢ per Kwh
Fuel Clause Adjustment.....	0.674¢ per Kwh
Margin Sharing Adjustment.....	0.210¢ per Kwh
Interim Rate Increase.....	7.91%*

Irrigation Power Service – Rate 25

Base Rate	\$10.00 per Month
Demand Charge	
October – May	\$1.00 per Kw
June – September	\$1.50 per Kw
Energy Charge.....	3.431¢ per Kwh
Fuel Clause Adjustment.....	0.674¢ per Kwh
Margin Sharing Adjustment.....	0.210¢ per Kwh
Interim Rate Increase.....	7.91%*

General Electric Service – Rate 30

Primary Service

Base Rate.....	\$90.00 per month
Demand Charge	
October – May.....	\$5.254 per Kw
June – September	\$8.254 per Kw
Energy Charge	3.255¢ per Kwh
Fuel Clause Adjustment	0.674¢ per Kwh
Margin Sharing Adjustment	0.210¢ per Kwh
Interim Rate Increase	7.91%*

Secondary Service

Base Rate.....	\$35.00 per month
Demand Charge	
October – May.....	\$8.224 per Kw
June – September	\$11.224 per Kw
Energy Charge	3.336¢ per Kwh
Fuel Clause Adjustment	0.674¢ per Kwh
Margin Sharing Adjustment	0.210¢ per Kwh
Interim Rate Increase	7.91%*

* The Interim Rate Increase will be applied to the amount billed under the applicable Base Rate, Energy Charge and Demand Charge.

Other Rates Available:

Optional Time-of-Day Residential Electric Service – Rate 16; Optional Time-of-Day Small General Electric Service – Rate 26; Optional Time-of-Day General Electric Service – Rate 31; General Electric Space Heating Service – Rate 32; Interruptible Large Power Demand Response – Rate 38; Interruptible Large Power Service – Rate 39; Municipal Lighting Service – Rate 41; Municipal Pumping Service – Rate 48; Outdoor Lighting Service – Rate 52.

For further information, the applicable rates, rules and regulations are available online at www.montana-dakota.com or by calling 1-800-638-3278.