Montana-Dakota Utilities Co.
A Division of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

State of South Dakota
Gas Rate Schedule – SDPUC Volume No. 2

Section No. 3
7th Revised Sheet No. 31
Canceling 6th Revised Sheet No. 31

CONSERVATION PROGRAM
TRACKING MECHANISM Rate 90

Applicability:
This rate schedule represents a Conservation Program Tracking Mechanism and specifies the procedure to be utilized to recover the costs of a portfolio of conservation programs, as authorized by the Commission, including a DSM financial performance incentive. Service provided under the Company's Residential Service Rates 60 and 66 and Firm General Service Rates 70, 72 and 76 shall be subject to this tracking mechanism.

Conservation Program Tracker:
An adjustment per dk will be determined for each rate schedule subject to the Conservation Program Tracking Mechanism. Monthly bills beginning with the first billing cycle each January 1 will be adjusted by the application of the Conservation Tracking Adjustment rate indicated below. The total program costs including the DSM financial incentive will be amortized over projected volumes to be sold over the next 12 month period. Following the initial one-year term, and annually thereafter, the Conservation Program Tracker rate calculation shall include any over or under collection of revenue from the preceding twelve month recovery period plus carrying costs on the monthly over or under collected amount. Montana-Dakota will apply carrying charges at the rate of interest for a three-month Treasury Bill as published monthly by the Federal Reserve for the preceding month. T

Conservation Tracking Adjustment:

Black Hills	$0.018 per dk
East River	$0.049 per dk

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