

Secondary Service

Basic Service Charge.....	\$45.00 per month
Demand Charge	
October – May.....	\$8.25 per Kw
June – September.....	\$11.25 per Kw
Energy Charge	\$0.02376 per Kwh
Renewable Resource Cost Adjustment....	\$0.00690 per Kwh
Generation Resource Recovery Rider.....	\$1.44 per KW
Environmental Cost Recovery Rider	\$0.00323 per Kwh
Fuel and Purchased Power	\$0.02424 per Kwh
Transmission Cost Adjustment	\$0.00293 per Kwh
Interim Adjustment.....	10.320%

Other Rates Available:

Optional Residential Thermal Energy Storage – Rate 13;
 Optional Time-of-Day Residential Electric Service –
 Rate 16; Irrigation Power Service – Rate 25; 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; Municipal Lighting Service –
 Rate 41; Municipal Pumping Service – Rate 48;
 Outdoor Lighting Service – Rate 52.

Contract rates are entered into from time to time and
 are filed with the Commission for approval.

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

How to calculate your bill

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

1. Assume a month’s use of 1,000 Kwh used during
 the winter period.
 2. Basic Service Charge
 (\$0.35 per day x 31 days)\$10.85
 3. Energy Charge:
 First 750 Kwh @ \$0.05304\$39.78
 Over 750 Kwh @ \$0.02304\$5.76
 4. Renewable Resource Cost
 Adjustment @ \$0.00712\$7.12
 5. Generation Resource Recovery
 Rider @ \$0.00500.....\$5.00
 6. Environmental Cost Recovery
 Rider @ \$0.00396.....\$3.96
 7. Fuel and Purchased Power* @ \$0.02424....\$24.24
 8. Transmission Cost Adjustment @ \$0.00329...\$3.29
 9. Interim Adjustment
 (\$10.85 + \$39.78 + \$5.76) x 10.320%\$5.82
- Total Bill**\$105.82

**Fuel and Purchased Power Adjustment effective
 December 1, 2016.*



**Interim Electric
 Service Rate Effective
 December 13, 2016
 and Notice of Public
 Input Sessions**



On October 14, 2016, 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 \$13.4 million or 6.6 percent. The primary reason for the increase is increased investment in facilities and the associated depreciation, operation and maintenance expenses and taxes to better serve customers and to provide safe and reliable service.

State law allows Montana-Dakota to charge an interim rate while the Commission considers the Company's request. On November 30, 2016, the Commission approved an interim rate increase in the amount of \$11,695,592 or an overall increase of 5.8 percent. The Commission is allowed seven months, from the date of the Company's filing, 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. On average, a residential customer using 980 Kwh a month will see an increase of \$6.09 a month.

The interim rate increase will be effective with service rendered on and after December 13, 2016. The interim rate will be applied to the Basic Service Charge, Energy Charge, and Demand Charge applicable under each rate schedule 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 bill for service on and after December 13, 2016 will reflect the interim rate increase.

The Commission has scheduled informal public input sessions via interactive television to allow customers of Montana-Dakota the opportunity to learn more

about the rate case and present their input regarding the Company's request to increase their electric rates.

You are invited to participate in a Public Input Session at the following locations on January 23 @ 7:30 p.m. CST or January 25 @ noon CST:

**PUBLIC SERVICE COMMISSION
Hearing Room
12th Floor State Capitol Building
Enter building on north side of Capital
600 E Boulevard Ave.
Bismarck, ND 58505**

**NDSU RESEARCH CENTER
Ernie French Center
WREC Meeting Room
14120 Highway 2
Williston, ND 58801**

**DICKINSON STATE UNIVERSITY
Klinefelter Room 216 (January 23, 2017)
Klinefelter Beck Auditorium (January 25, 2017)
291 Campus Drive
Dickinson, ND 58601**

The meetings will be streamed live by visiting the following link. URL: <http://education.video.nd.gov>
Login: guest@meeting.edu
Password: meeting

The Commission will receive email questions during the input sessions at vschock@nd.gov

The Company's current applicable rates for various classes of service are shown below:

Residential Electric Service – Rate 10

Rate:
Basic Service Charge.....\$0.35 per day
Energy Charge October – May
 First 750 Kwh \$0.05304 per Kwh
 Over 750 Kwh..... \$0.02304 per Kwh

Energy Charge June – September \$0.05304 per Kwh
Renewable Resource Cost Adjustment... \$0.00712 per Kwh
Generation Resource Recovery Rider..... \$0.00500 per Kwh
Environmental Cost Recovery Rider \$0.00396 per Kwh
Fuel and Purchased Power \$0.02424 per Kwh
Transmission Cost Adjustment \$0.00329 per Kwh
Interim Adjustment..... 10.320%

Small General Electric Service – Rate 20

Rate:
Basic Service Charge.....\$0.70 per day
Energy Charge October – May
 First 750 Kwh \$0.06147 per Kwh
 Over 750 Kwh..... \$0.02304 per Kwh
Energy Charge June – September \$0.06147 per Kwh
Renewable Resource Cost Adjustment... \$0.00566 per Kwh
Generation Resource Recovery Rider..... \$0.00349 per Kwh
Environmental Cost Recovery Rider \$0.00396 per Kwh
Fuel and Purchased Power \$0.02424 per Kwh
Transmission Cost Adjustment \$0.00329 per Kwh
Interim Adjustment..... 10.320%

General Electric Service – Rate 30

Rate:
Primary Service
Basic Service Charge..... \$95.00 per month
Demand Charge
 October – May \$6.25 per Kw
 June – September \$9.25 per Kw
Energy Charge \$0.02296 per Kwh
Renewable Resource Cost Adjustment... \$0.00690 per Kwh
Generation Resource Recovery Rider.....\$1.44 per KW
Environmental Cost Recovery Rider \$0.00323 per Kwh
Fuel and Purchased Power \$0.02306 per Kwh
Transmission Cost Adjustment \$0.00293 per Kwh
Interim Adjustment..... 10.320%
(over)