Demand Response – Rate 38; Public Lighting Service – Rate 41; Municipal Pumping Service – Rate 48; and Outdoor Lighting Service – Rate 52

#### Prorated Bill:

The first bill you receive may be prorated, depending on the date your meter was read. Bills are prorated to reflect the rates in effect at the time service was rendered, rather than when your bill is processed. This means that any electricity used prior to October 1, 2023 will be billed at the old rate and any electricity used on and after October 1, 2023 will be billed at the new rates.

#### Payment:

Bills will be considered past due if not paid by the due date shown on the bill. An amount equal to 1% per month will be applied to any unpaid balance existing at the immediate subsequent billing date.

#### NSF/Returned Check Charge:

A charge of \$30.00 will be collected by the Company for each check charged back to the Company by the customer's financial institution.

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



A Subsidiary of MDU Resources Group, Inc.

In the Community to Serve®



# New Electric Service Rates Effective October 1, 2023

On November 4, 2022, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the Montana Public Service Commission (Commission) to increase the Company's electric service rates to reflect increased investment necessary for providing safe and reliable service to the Company's Montana electric customers, in addition to increased operation and maintenance expenses, depreciation expenses, property taxes, and other expenses.

Effective February 1, 2023, the Commission approved an interim rate increase in the amount of \$1,716,274 annually or an overall increase in rates of 2.7 percent. The interim rate of 3.708 percent is applied to the amounts billed under the Basic Service Charge, Energy Charges, and Demand Charges applicable under the Company's retail electric rate schedules.

On August 8, 2023, the Commission approved a Settlement Agreement between Montana-Dakota, the Montana Consumer Counsel, and Denbury Onshore LLC, authorizing a total rate increase of \$6.1 million annually or an overall increase in rates of 9.1 percent. A typical non-space heating residential customer using 800 kilowatt hours a

month will see, on average, an increase of approximately \$8.00 per month under the new rates; however, \$2.30 was already being collected through the interim rates implemented February 1, 2023. The final average monthly increase is \$5.70 more than the rates a customer has been paying since February 2023 under interim rates.

New electric rates will be effective with service rendered on and after October 1, 2023. The actual impact to customer's bills will vary depending on the customer's rate class and amount of energy used.

The authorized increase by rate class is as follows:

| Customer Class    | Revenue Increase | % Increase |
|-------------------|------------------|------------|
| Residential       | \$1,886,589      | 9.1%       |
| Small General     | 1,132,952        | 9.2%       |
| Large General     | 2,982,503        | 9.1%       |
| Municipal Pumping | 64,940           | 10.9%      |
| Lighting          | 33,438           | 7.0%       |
| Total Montana     | \$6,100,422      | 9.1%       |

Applicable rates for various classes of service are shown below. The Fuel and Purchased Power (F&PP) rates are subject to change on a monthly basis. The F&PP rates included below reflect the F&PP rates as of October 1, 2023.

## Residential Electric Service – Rate 10

| Basic Service Charge           | \$0.19 per day    |
|--------------------------------|-------------------|
| Energy Charge October - May    | \$0.07264 per Kwh |
| Energy Charge June - September | \$0.09261 per Kwh |
| Fuel and Purchased Power       | \$0.03110 per Kwh |

## Small General Electric Service – Rate 20 Primary Service

| Basic Service Charge       | \$0.65 per day         |
|----------------------------|------------------------|
| Energy Charge October - Ma | ay\$0.04341 per Kwh    |
| Energy Charge June - Septe | ember\$0.06221 per Kwh |
| Demand Charge              |                        |
| First 10 KW                | \$0.00 per KW          |
|                            |                        |

| Over 10 KW October – May\$13.00 per KW June – September\$14.00 per KW Fuel and Purchased Power\$0.02984 per Kwh |
|---|
| Secondary Service   |
| Basic Service Charge\$0.65 per day  |
| Energy Charge October – May\$0.04441 per Kwh  |
| Energy Charge June – September\$0.06321 per Kwh   |
| Demand Charge   |
| First 10 KW\$0.00 per KW  |
| Over 10 KW  |
| October – May\$13.75 per KW   |
| June – September\$15.00 per KW  |

## Large General Electric Service - Rate 30

## Primary Service

| basic service charge |                   |
|----------------------|-------------------|
| Energy Charge        | \$0.03348 per Kwh |
| Demand Charge        |                   |
| October - May        | \$12.10 per KW    |
| June - September     | \$13.45 per KW    |

Fuel and Purchased Power.....\$0.03110 per Kwh

## Fuel and Purchased Power.....\$0.02984 per Kwh

## Secondary Service

| Basic  | Service Unarge     | \$ 100.00 per montr |
|--------|--------------------|---------------------|
| Energ  | y Charge           | \$0.03376 per Kwh   |
| Dema   | nd Charge          |                     |
| Octo   | ober – May         | \$12.30 per KW      |
| June   | e - September      | \$13.65 per KW      |
| Fuel a | nd Purchased Power | \$0.03110 per Kwh   |

### Other Rates Available:

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 Timeof-Day General Electric Service – Rate 31; General Electric Space Heating Service – Rate 32; Interruptible Large Power