

-Demand Charge		
October – May . . . . .	\$10.53 per KW	\$11.05 per KW
-Demand Charge		
June - September . . . . .	\$11.79 per KW	\$12.40 per KW
Base Fuel and Purchased Power.	\$0.02516 per Kwh	\$0.02858 per Kwh

**Other Rates Available:**

Optional Residential Electric Thermal Energy Storage Service – 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; Contract Service – Rate 35; Interruptible Large Power Demand Response – Rate 38; Municipal Lighting Service – Rate 41; Municipal Pumping Service – Rate 48; and Outdoor Lighting Service – Rate 52.

A hearing will be held on the Company's request starting April 30, 2019 at a time and location to be determined by the Commission. For more information, please contact the Montana Public Service Commission at (800) 646-6150. The Montana Consumer Counsel is also available to represent consumer interests regarding the Company's request at (406) 444-2771.



# NOTICE OF FILING

## Electric Rate Increase Requested

On September 28, 2018, Montana Dakota Utilities Co., (Montana-Dakota) filed an application for authority to increase the Company's rates for electric service with the Montana Public Service Commission (Commission). The Company is requesting an increase of approximately \$11.9 million annually or an overall increase of 18.9 percent over current rates. The primary reason for the increase is increased investments necessary for providing safe and reliable service to the Company's electric customers, in addition to increased operation and maintenance expense, depreciation expense, and property taxes. The price increase request is being offset by tax savings associated with the Tax Cuts and Jobs Act of 2017. If the Company's request is approved as filed, a residential customer's monthly bill would increase by an average of \$16.23 a month. The Commission has up to ten months to issue a decision on the proposed increase.

Montana-Dakota has also requested an interim increase in revenues of \$4.6 million annually or an overall increase of 7.3 percent. The interim increase, if approved, would allow the Company to implement an interim rate while the Commission considers the Company's application. The interim rate increase is subject to refund upon final approval in this case. A residential customer's bill would increase \$5.83 per month under the interim rate.

The Company's application, supporting testimony and exhibits are available by visiting the Company's web site at [www.montana-dakota.com/rates-and-services/rate-cases](http://www.montana-dakota.com/rates-and-services/rate-cases), the Commission's web site at <http://psc.mt.gov/> or by contacting a customer service representative at 1-800-638-3278.

**The proposed increase by rate class is as follows:**

<u>Rate Class</u>	<u>Revenue Increase</u>	<u>% Increase</u>
Residential.....	\$3,928,950 .....	22.0%
Small General.....	2,049,230 .....	18.8%
Large General .....	5,635,858 .....	17.1%
Municipal Pumping.....	123,429 .....	22.8%
Lighting.....	144,661 .....	21.5%
<b>Total Montana .....</b>	<b>\$11,882,128 .....</b>	<b>18.9%</b>

**Proposed rates for various classes of service are shown below. The Fuel and Purchased Power rates are subject to change monthly.**

	<u>Current Rates</u>	<u>Proposed Rates</u>
<b>Residential Electric Service – Rate 10</b>		
–Basic Service Charge.....	\$0.17 per day	\$0.25 per day
–Energy Charge		
October – May .....	\$0.05176 per Kwh	\$0.06536 per Kwh
–Energy Charge		
June – September .....	\$0.07321 per Kwh	\$0.08533 per Kwh
Base Fuel and Purchased Power	\$0.02516 per Kwh	\$0.02858 per Kwh

**Small General Electric Service – Rate 20**

**Primary Service**

–Basic Service Charge.....	\$0.50 per day	\$0.65 per day
–Energy Charge		
October – May .....	\$0.02955 per Kwh	\$0.03698 per Kwh
–Energy Charge		
June – September .....	\$0.05197 per Kwh	\$0.05578 per Kwh
–Demand Charge:		
First 10 KW .....	\$0.00 per KW	\$0.00 per KW
Over 10 KW		

October – May .....	\$9.55 per KW	\$12.00 per KW
June – September .....	\$10.44 per KW	\$13.00 per KW
Base Fuel and Purchased Power.	\$0.02453 per Kwh	\$0.02895 per Kwh

**Small General Electric Service – Rate 20**

**Secondary Service**

–Basic Service Charge.....	\$0.50 per day	\$0.65 per day
–Energy Charge		
October – May .....	\$0.03074 per Kwh	\$0.03798 per Kwh
–Energy Charge		
June – September .....	\$0.05317 per Kwh	\$0.05678 per Kwh
–Demand Charge:		
First 10 KW .....	\$0.00 per KW	\$0.00 per KW
Over 10 KW .....		
October – May .....	\$10.19 per KW	\$12.75 per KW
June – September .....	\$11.15 per KW	\$14.00 per KW
Base Fuel and Purchased Power.	\$0.02516 per Kwh	\$0.02858 per Kwh

**Large General Electric Service – Rate 30**

**Primary Service**

–Basic Service Charge.....	\$229.81 per month	\$230.00 per month
–Energy Charge .....	\$0.02029 per Kwh	\$0.2792 per Kwh
–Demand Charge		
October – May .....	\$10.35 per KW	\$11.40 per KW
–Demand Charge		
June - September .....	\$11.59 per KW	\$12.75 per KW
Base Fuel and Purchased Power.	\$0.02453 per Kwh	\$0.02895 per Kwh

**Large General Electric Service – Rate 30**

**Secondary Service**

–Basic Service Charge.....	\$86.08 per month	\$100.00 per month
–Energy Charge .....	\$0.02029 per Kwh	\$0.2792 per Kwh