



## TRANSMISSION COST RECOVERY RIDER Effective May 15, 2019

On March 1, 2019, Montana-Dakota Utilities Co. (Montana-Dakota) filed its initial application, and subsequently revised filing on May 1, 2019, with the South Dakota Public Utilities Commission (Commission) to update its Transmission Cost Recovery Rider (TCRR) rate in accordance with the Company's Transmission Cost Recovery Rider Rate 59 tariff that states the rates will be revised annually to reflect the projected costs to be recovered through the next year. The TCRR rate includes South Dakota's allocation of transmission related revenues, credits, and expenses assessed by both the Midcontinent Independent System Operator (MISO) and the Southwest Power Pool (SPP) for transmission service, not currently recovered through electric service rates and a true-up amount from the current TCRR rate. In addition, the Company is including the revenue requirement associated with a transmission project in its projected 2019 costs.

On May 14, 2019, the Commission approved the Company's request to update the TCRR rate with the new rate effective May 15, 2019. The Transmission Cost Rider is shown as a separate line item on your electric bill.

The table below provides a comparison of a residential customer's winter bill at the current rate of \$0.00545 per Kwh and the new TCRR rate of \$0.00515 per Kwh, excluding taxes. A typical residential customer using 853 Kwh would see a decrease of \$0.26 per month, or \$3.12 annually.

<u>Kwh</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Change</u>	<u>Percent Change</u>
500	\$65.29	\$65.14	(\$0.15)	0.23%
600	76.85	76.67	(0.18)	0.23%
700	88.43	88.22	(0.21)	0.24%
800	98.50	98.26	(0.24)	0.24%
900	107.09	106.82	(0.27)	0.25%
1,000	115.66	115.36	(0.30)	0.26%

For more information, please contact a Montana-Dakota representative at 1-800-638-3278.