

Notice of Annual Update to the Transmission Cost Adjustment Filed with the North Dakota Public Service Commission

On July 17, 2020, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the North Dakota Public Service Commission (Commission) to update its Transmission Cost Adjustment (TCA) rates in accordance with the Company's Transmission Cost Adjustment Rate 59 tariff that states the rates will be revised to reflect the current level of costs to be recovered.

The proposed TCA rates include North Dakota's allocation of transmission related net expenses assessed by both the Midcontinent Independent System Operator (MISO) and the Southwest Power Pool (SPP) for transmission-related services currently not being recovered through the Company's electric service rates, the inclusion of specified transmission related capital projects, and a projected under-recovery of the deferred TCA balance.

Montana-Dakota has requested the proposed TCA rates be effective with service rendered on and after November 1, 2020, subject to Commission review and approval. The changes are only being proposed at this time and, if rates are suspended by the Commission, the new rates will not be effective until Commission action has been taken.

If approved, a residential customer using 894 Kwh will see an increase of \$3.35 per month or an increase of \$40.20 annually. The TCA is shown as a separate line item on your bill.

Notice of Annual Update to the Transmission Cost Adjustment (Cont.)

RESIDENTIAL & SMALL GENERAL

Applicable Rate Schedules .. 10, 13, 16, 20, 25, & 40	
Proposed Rate	\$0.00849 per Kwh
Current Rate	\$0.00474 per Kwh
Change	\$0.00375 per Kwh

LARGE GENERAL & CONTRACTS

Applicable Rate Schedules 30, 31, 32, 38, & 48	
Proposed Rate	\$0.00678 per Kwh
Current Rate	\$0.00390 per Kwh
Change	\$0.00288 per Kwh

LIGHTING

Applicable Rate Schedules	41 & 52
Proposed Rate	\$0.00323 per Kwh
Current Rate	\$0.00234 per Kwh
Change	\$0.00089 per Kwh

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



MONTANA-DAKOTA
UTILITIES CO.

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