

billed in the months of March and April 2020. The refund is billed as a separate line item and identified as "Tax Cuts and Jobs Act" in the detailed portion of your gas service bill.

Seasonal Reconnect Charge:

A *Residential Rate 60* customer who requests the reconnection of service at the same address within a 12-month period will be charged the Basic Service Charge applicable during the period while service was not in use and a \$30.00 reconnection fee during normal business hours. Standard overtime rates will be applied for reconnecting service after normal business hours.

A *non-residential customer* who requests the reconnection of service at the same address within a 12-month period will be charged the Basic Service Charge applicable during the period while service was not in use and a \$30.00 reconnection fee during normal business hours. The reconnection charge applicable to seasonal business concerns such as irrigation, swimming facilities, asphalt processing, shall be the Basic Service Charge applicable during the period while service was not being used less the Distribution Delivery Charge revenue collected during the period in-service for usage above the annual authorized use by rate class. Standard overtime rates will be applied for reconnecting service after normal business hours.

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 natural gas used prior to March 1, 2020 will be billed at the old rate and any natural gas used on

and after March 1, 2020 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. A charge of \$ 30.00 will be collected by the Company for each check charged back to the Company by the bank.

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



New Wyoming Gas Rates Effective March 1, 2020



On May 23, 2019, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the Wyoming Public Service Commission (Commission) for an increase in the Company's natural gas rates of \$1,052,167 annually or 6.96 percent over current rates. The primary reasons for the request were increased operating expenses and the Company's continued investment in its distribution facilities to improve system safety and reliability. Montana-Dakota's last increase in its natural gas distribution rates was in June 2015.

On December 17, 2019, Montana-Dakota and the Office of Consumer Advocate (OCA) jointly filed a Stipulation and Settlement (Stipulation) with the Commission, resolving all outstanding issues between the Company and the OCA including the amount of the increase and the allocation of the increase amongst the customer classes. On January 15, 2020, the Commission held a Public Hearing on the Company's request and the Stipulation. At the Public Hearing, the Commission authorized an annual increase in revenues of approximately \$828,000 or 5.48 percent to be effective March 1, 2020. The overall increase by rate class is 6.58% for residential service and 4.32% for firm general service and a decrease of 1.03% for small interruptible service and 3.06% for large interruptible service.

The actual impact to customers' bills will vary depending on the customer's rate and the amount of natural gas used. A typical residential customer using 88 dk on an annual basis will see an average increase of \$3.09 per month associated with the change in distribution rates.

The applicable rates for the various classes of service are shown below. The Cost of Gas rate included in the table below reflects the Cost of Gas effective February 1, 2020.

	<u>Current</u>	<u>Effective March 1, 2020</u>
Residential Gas Service – Rate 60		
Basic Service Charge.....	\$0.52 per day	\$0.62 per day
Distribution Delivery Charge.....	\$0.652 per dk	\$0.507 per dk
Cost of Gas	\$3.389 per dk	\$3.389 per dk
Firm General Gas Service – Rate 70 (under 500 cubic ft per hour)		
Basic Service Charge.....	\$0.67 per day	\$0.67 per day
Distribution Delivery Charge.....	\$0.515 per dk	\$0.725 per dk
Cost of Gas	\$3.389 per dk	\$3.389 per dk
Firm General Gas Service – Rate 70 (over 500 cubic ft per hour)		
Basic Service Charge.....	\$1.80 per day	\$1.80 per day
Distribution Delivery Charge.....	\$0.515 per dk	\$0.525 per dk
Cost of Gas	\$3.389 per dk	\$3.389 per dk
Small Interruptible General Gas Service – Rate 71		
Basic Service Charge.....	\$145.00 per mo.	\$145.00 per mo.
Distribution Delivery Charge		
Maximum Rate.....	\$0.443 per dk	\$0.420 per dk
Minimum Rate.....	\$0.100 per dk	\$0.077 per dk
Cost of Gas Effective.....	\$3.538 per dk	\$3.538 per dk
Optional Seasonal General Gas Service – Rate 72 (under 500 cubic ft per hour)		
Basic Service Charge	\$0.67 per day	\$0.67 per day
Distribution Delivery Charge.....	\$0.515 per dk	\$0.725 per dk
Cost of Gas	\$3.880 per dk	\$3.880 per dk

**Optional Seasonal General Gas Service – Rate 72
(over 500 cubic ft per hour)**

Basic Service Charge	\$1.80 per day	\$1.80 per day
Distribution Delivery Charge.....	\$0.515 per dk	\$0.525 per dk
Cost of Gas	\$3.880 per dk	\$3.880 per dk

**Transportation Service – Rates 81 and 82
Small Interruptible Rate 81**

Basic Service Charge.....	\$145.00 per mo.	\$145.00 per mo.
Distribution Delivery Charge:		
Maximum Rate	\$0.443 per dk	\$0.420 per dk
Minimum Rate	\$0.100 per dk	\$0.077 per dk

Large Interruptible Rate 82

Basic Service Charge.....	\$250.00 per mo.	\$250.00 per mo.
Distribution Delivery Charge:		
Maximum Rate	\$0.161 per dk	\$0.149 per dk
Minimum Rate	\$0.020 per dk	\$0.035 per dk

Large Interruptible General Gas Service – Rate 85

Basic Service Charge.....	\$250.00 per mo.	\$250.00 per mo.
Distribution Delivery Charge		
Maximum Rate	\$0.161 per dk	\$0.149 per dk
Minimum Rate	\$0.020 per dk	\$0.035 per dk
Cost of Gas Effective.....	\$3.538 per dk	\$3.538 per dk

Tax Cuts and Jobs Act (TCJA) Refund:

In September 2019, the Commission ordered the refunding of \$190,535 resulting from the passage of the Tax Cuts and Jobs Act of 2017 passed into law in late December 2017. The refund was applicable to the January 2018 through June 2019 time period and was applied to customers' accounts on October 30, 2019. In compliance with the Commission's September 2019 order, Montana-Dakota was to true-up the 2019 actual tax benefit as part of the Company's general rate case application. Montana-Dakota will refund the remaining 2019 and 2020 TCJA tax benefit to customers based on your actual March 2020 service
(over)