



Electric Interim Rate

Effective February 1, 2023

On November 4, 2022, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the Montana Public Service Commission (Commission) for authority to increase the Company's rates for electric service. If approved by the Commission, the proposed new rates will result in an increase in total revenue of \$10.5 million annually or 15 percent over current rates. The primary reason for the increase is increased investments 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.

The Administrative Rules of Montana allow Montana-Dakota to charge an interim rate, if authorized by the Commission, while the Commission considers the Company's request. On January 24, 2023, the Commission approved an interim rate increase in the amount of \$1,716,274 annually or an overall increase of 2.7 percent overall. The Commission is allowed nine months, from the date of the Company's filing, to issue a final decision. If the final approved increase is lower than the interim increase, Montana-Dakota will refund the difference to its customers with interest. A typical non-space heating residential customer using approximately 800 Kwh a month would see an increase of approximately \$2.30 per month or 2.6 percent under the interim rate.

The interim rate increase will be effective with service rendered on and after February 1, 2023. The Interim Rate of 3.708% will be applied to the Basic Service Charge, Energy Charges, and Demand Charges applicable under each rate schedule and will be shown as a separate line item on your bill. The first bill you receive may be prorated, depending on the date your meter is read. This means that only the portion of your bill for service on and after February 1, 2023 will reflect the Interim Rate.

(over)

How to calculate your bill

This information is to assist you in checking your bill. A residential (Rate 10) customer using 800 Kwh in winter is used in the following example.

Basic Service Charge (\$0.19 per day x 30 days)	\$5.70
Energy Charge (\$0.06520 x 800 Kwh).....	\$52.16
Fuel & Purchased Power* (\$0.02450 x 800 Kwh).....	\$19.60
USBC (\$0.001566 x 800 Kwh).....	\$1.25
Tax Tracking Adjustment ((\$5.70 + 52.16) x 12.1618%).....	\$7.04
Interim Adjustment ((\$5.70 + 52.16) x 3.708%).....	\$2.15
Total bill.....	\$87.90

*Fuel and Purchased Power Adjustment effective February 1, 2023.

The proposed rate schedules as submitted by the Company on November 4, 2022 and the rate schedules implemented on February 1, 2023 are on file at Montana-Dakota's offices and available for inspection upon request. The information can also be found at the Company's website noted below.

The Montana Consumer Counsel may be reached at 406-444-2771 and is available to represent customers interest regarding the Company's application for an increase in electric rates.

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