



# TRANSMISSION COST RECOVERY RIDER Effective May 1, 2026

On February 27, 2026, Montana-Dakota Utilities Co. (Montana-Dakota) filed its application with the South Dakota Public Utilities Commission (Commission) to update its Transmission Cost Recovery Rider (TCRR) Rate 59 in accordance with the Company's 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.

On April 28, 2026, the Commission approved the Company's request to update the TCRR rate with the new rate effective May 1, 2026. 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  $-\$0.00127$  per kWh and the new TCRR rate of  $\$0.00114$  per kWh, excluding taxes. A typical residential customer using 900 kWh would see an increase of  $\$2.17$  per month, or  $\$26.04$  annually.

<u>Kwh</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Change</u>	<u>Percent Change</u>
500	\$74.80	\$76.01	\$1.21	1.62%
600	87.72	89.16	1.44	1.64%
700	100.63	102.32	1.69	1.68%
800	112.06	113.99	1.93	1.72%
900	121.98	124.15	2.17	1.78%
1,000	131.89	134.30	2.41	1.83%

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