

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

On July 15, 2026, 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 annually 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.

The proposed TCA rates also reflects the inclusion of the net benefit related to a large customer now taking service under Rate 45. All customers of Montana-Dakota will benefit from this customer's service through the crediting of transmission revenue received from this customer. For a residential customer using 800 kWh, the Company estimates a cost savings of approximately \$2.98 per month or \$35.76 annually.

Montana-Dakota has requested the proposed TCA rates be effective with service rendered on and after November 1, 2026, 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.

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

If approved, a residential customer using 800 kWh will see an increase of \$2.52 per month or an increase of \$30.24 annually. The TCA is shown as a separate line item on your bill.

RESIDENTIAL & SMALL GENERAL

Applicable Rate Schedules .. 10, 13, 16, 20, 25, & 40
Proposed Rate\$0.00186 per Kwh
Current Rate.....(\$0.00129) per Kwh
Change\$0.00315 per Kwh

LARGE GENERAL & CONTRACTS

Applicable Rate Schedules 30, 31, 32, 38, & 48
Proposed Rate\$0.00151 per Kwh
Current Rate.....(\$0.00101) per Kwh
Change\$0.00252 per Kwh

LIGHTING

Applicable Rate Schedules41 & 52
Proposed Rate\$0.00070 per Kwh
Current Rate.....(\$0.00043) per Kwh
Change\$0.00113 per Kwh

1/ Rates effective September 1, 2026, in Case No. PU-26-241.

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



MONTANA-DAKOTA
UTILITIES CO.

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