

Seasonal Reconnection Charges:

A residential customer who requests the reconnection of service at the same location the customer discontinued the same service during the preceding 12-month period will be charged the Basic Service charge applicable during the period service was not being used and a \$30.00 reconnection fee during normal business hours. Customers that qualified for the Low Income Energy Assistance Program during the current LIEAP program year will be subject to a reconnection charge of \$12.00 on disconnection due to non-payment of service bills. 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 location the customer discontinued the same service during the preceding 12-month period will be charged the Basic Service charge applicable during the period service was not being used and a \$30.00 reconnection fee during normal business hours. However, the reconnection applicable to seasonal businesses, such as swimming facilities and asphalt processing, may receive credit for the Distribution Delivery Charge revenue collected while in service

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



Natural Gas Distribution Rate Increase

On September 25, 2017, Montana-Dakota Utilities, Co. (Montana-Dakota) filed an application with the Montana Public Service Commission (Commission) to increase its natural gas service rates. Montana-Dakota proposed an increase of \$2,820,168 or a 4.1 percent overall annual increase in distribution revenues. The rate increase is driven primarily by the need to recover investments made in its natural gas infrastructure including pipeline replacement to enhance safety, integrity and system reliability.

The Company submitted an updated application on February 23, 2018 to include the effects of the federal Tax Cuts and Jobs Act (TCJA) signed into law on December 22, 2017. The Company's updated application reflected a reduced revenue requirement thereby lowering Montana-Dakota's requested revenue increase to \$1,618,286.

On April 24, 2018, Montana-Dakota and the Montana Consumer Counsel jointly filed a Stipulation with the Commission for an increase in revenues of \$975,000 or approximately 1.41 percent annually. The Commission approved the Stipulation at its June 12, 2018 meeting. The new rates are effective with service rendered on or after June 15, 2018. A residential customer using 80 dk on an annual basis will see an average increase of approximately \$0.29 per month associated with the change in distribution rates.

Applicable rates for various classes of service are shown below. The Cost of Gas is subject to change monthly.

	<u>Current</u>	<u>Effective June 15, 2018</u>
Residential Gas Service – Rate 60		
–Basic Service Charge.	\$0.23 per day	\$0.26 per day
–Distribution Delivery Charge. .	\$1.134 per dk	\$1.034 per dk
–Cost of Gas		
effective June 1, 2018	\$3.527 per dk	\$3.527 per dk
–CTA (Rate 90)	\$0.014 per dk	\$0.014 per dk
–Tax Tracking Adjustment	18.8573%	18.8573%

Firm General Gas Service – Rate 70

–Basic Service Charge		
Under 500 cubic ft per hour. .	\$0.40 per day	\$0.45 per day
Over 500 cubic ft per hour. .	\$0.80 per day	\$0.90 per day
–Distribution Delivery Charge .	\$1.411 per dk	\$1.390 per dk
–Cost of Gas		
effective June 1, 2018	\$3.527 per dk	\$3.527 per dk
–CTA (Rate 90)	\$0.014 per dk	\$0.014 per dk
–Tax Tracking Adjustment	18.8573%	18.8573%

Small Interruptible General Gas Service – Rate 71

–Basic Service Charge	\$194.90 per mo.	\$225.00 per mo.
–Distribution Delivery Charge		
Maximum Rate.	\$0.688 per dk	\$0.673 per dk
Minimum Rate	\$0.101 per dk	\$0.101 per dk
–Cost of Gas		
effective June 1, 2018	\$2.415 per dk	\$2.415 per dk
–Tax Tracking Adjustment	18.8573%	18.8573%

Large Interruptible General Gas Service – Rate 85

–Basic Service Charge	\$567.25 per mo.	\$567.25 per mo.
–Distribution Delivery Charge		
Maximum Rate.	\$0.449 per dk	\$0.460 per dk
Minimum Rate	\$0.050 per dk	\$0.050 per dk
–Cost of Gas		
effective June 1, 2018	\$2.415 per dk	\$2.415 per dk
–Tax Tracking Adjustment	18.8573%	18.8573%

Other Rates Available:

Optional Seasonal General Gas Service Rate 72,
Transportation Service Rates 81 and 82

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 June 15, 2018 will be billed at the old rate and any natural gas used on and after June 15, 2018 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.

NSF Returned Check Charge:

A charge of \$30.00 will be collected by the Company for each check charged back to the Company by the customer's financial institution.