

rendered, rather than when your bill is processed. This means that any electricity used prior to August 7, 2017 will be billed at the old rate and any electricity used on and after August 7, 2017 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.

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



Electric Rate Increase

Effective August 7, 2017

On October 14, 2016, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the North Dakota Public Service Commission (ND PSC) to increase the Company's electric rates in North Dakota to reflect Montana-Dakota's investment in its facilities, and the associated depreciation, operation and maintenance expenses and taxes, to better serve customers and provide safe and reliable service.

On June 16, 2017, the ND PSC approved the Settlement Agreement between Montana-Dakota, the ND PSC Advocacy Staff, and the AARP, authorizing an overall increase in revenues of \$7,500,000 or approximately 3.7% to be effective with service rendered on and after August 7, 2017. The Company also received approval to true-up to actual costs the Company's four rate riders. The actual impact to customers' bills as a result will vary depending on the customer's rate class and amount of energy used. A typical residential customer using 11,760 Kwh on an annual basis will see an average increase of approximately \$6.44 per month.

As provided for in the Administrative Rules of North Dakota, and authorized by the ND PSC on November 30, 2016, Montana-Dakota implemented an interim rate of 10.32 percent effective December 13, 2016 applicable to all rate cases and subject to refund pending a final decision in this proceeding. As the final revenue increase authorized was less than the interim rate increase implemented, Montana-Dakota will refund the difference with interest to customers no later than October 24, 2017.

The new rates, effective August 7, 2017, for a select number of rate classes are shown below.

Residential Electric Service – Rate 10

Basic Service Charge	\$0.46 per day
Energy Charge October – May	
First 750 Kwh	\$0.06133 per Kwh
Over 750 Kwh	\$0.03133 per Kwh
Energy Charge June – September.....	\$0.06133 per Kwh
Renewable Resource Adjustment.....	\$0.00642 per Kwh
Generation Rider	\$0.00284 per Kwh
Environmental Cost Adjustment	\$0.00084 per Kwh
Transmission Cost Adjustment (TCA).....	\$0.00413 per Kwh
Fuel and Purchased Power	\$0.02162 per Kwh

Small General Electric Service – Rate 20

Basic Service Charge	\$0.84 per day
Energy Charge October – May	
First 750 Kwh	\$0.06520 per Kwh
Over 750 Kwh	\$0.03520 per Kwh
Energy Charge June – September.....	\$0.06520 per Kwh
Renewable Resource Adjustment.....	\$0.00642 per Kwh
Generation Rider	\$0.00284 per Kwh
Environmental Cost Adjustment	\$0.00084 per Kwh
Transmission Cost Adjustment (TCA).....	\$0.00413 per Kwh
Fuel and Purchased Power.....	\$0.02162 per Kwh

General Electric Service – Rate 30

Primary Service

Basic Service Charge	\$100.00 per month
Demand Charge	
October – May.....	\$11.00 per Kw
June – September.....	\$14.00 per Kw
Energy Charge.....	\$0.01751 per Kwh
Renewable Resource Adjustment.....	\$0.00620 per Kwh
Generation Rider	\$0.82212 per KW
Environmental Cost Adjustment	\$0.00071 per Kwh
Transmission Cost Adjustment (TCA).....	\$0.00350 per Kwh
Fuel and Purchased Power	\$0.02099 per Kwh

Secondary Service

Basic Service Charge	\$56.00 per month
Demand Charge	
October – May.....	\$9.50 per Kw
June – September.....	\$12.50 per Kw
Energy Charge.....	\$0.02751 per Kwh
Renewable Resource Adjustment.....	\$0.00620 per Kwh
Generation Rider	\$0.82212 per KW
Environmental Cost Adjustment	\$0.00071 per Kwh
Transmission Cost Adjustment (TCA).....	\$0.00350 per Kwh
Fuel and Purchased Power	\$0.02162 per Kwh

Other Rates Available:

Optional Residential Thermal Energy Storage – Rate 13; Optional Time-of-Day Residential Electric Service – Rate 16; Irrigation Power Service – Rate 25; Optional Time-of-Day Small General Electric Service – Rate 26; Optional Time-of-Day General Electric Service – Rate 31; General Electric Space Heating Service – Rate 32; Interruptible Large Power Demand Response – Rate 38; Municipal Lighting Service – Rate 41; Municipal Pumping Service – Rate 48; Outdoor Lighting Service – Rate 52.

The ND PSC also authorized the following changes:

- The reconnection fee for demand metered seasonal customers has increased to \$40.00 to reflect the current cost of reconnecting customers.
- The returned check charge applicable to each check charged back to the Company by a bank has increased to \$40.00.

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