

**Montana-Dakota Utilities Co.  
Notice of Annual Update to the  
Transmission Cost Adjustment  
Filed with the North Dakota Public  
Service Commission**

On November 21, 2017, Montana-Dakota Utilities Co. (Montana-Dakota) filed its 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 and the continued amortization of the under-recovered TCA balance through 2016.

Montana-Dakota has requested the proposed TCA rates be effective with service rendered on and after February 21, 2018, 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.

If approved, a residential customer using 894 Kwh will see an increase of \$0.99 per month. The TCA is shown as a separate line item on your bill.

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

**RESIDENTIAL & SMALL GENERAL**

Applicable Rate Schedules .. 10, 13, 16, 20, 25, & 40	
Current Rate .....	\$0.00413 per Kwh
Proposed Rate .....	\$0.00523 per Kwh
Change .....	\$0.00110 per Kwh

**LARGE GENERAL**

Applicable Rate Schedules .... 30, 31, 32, 38, & 48	
Current Rate .....	\$0.00350 per Kwh
Proposed Rate .....	\$0.00444 per Kwh
Change .....	\$0.00094 per Kwh

**LIGHTING**

Applicable Rate Schedules .....	41 & 52
Current Rate .....	\$0.00161 per Kwh
Proposed Rate .....	\$0.00204 per Kwh
Change .....	\$0.00043 per Kwh

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



***In the Community to Serve®***

**Montana-Dakota Utilities Co.  
 Notice of Annual Update to the  
 Generation Resource Recovery  
 Rider with the North Dakota Public  
 Service Commission**

On November 27, 2017, Montana-Dakota Utilities Co. (Montana-Dakota) filed its application with the North Dakota Public Service Commission (Commission) to update its Generation Resource Recovery Rider (GRRR) rates in accordance with the Company's Generation Resource Recovery Rider Adjustment Rate 56 tariff that states the rates will be revised annually to reflect the most recent projected costs to be recovered.

The proposed GRRR rates include North Dakota's allocation of the Company's investment in its Reciprocating Internal Combustion Engines (RICE) units at its Lewis & Clark Generation Station that are not being recovered through the Company's electric rates and the continued amortization of the under recovered balance through 2016.

Montana-Dakota has requested the proposed GRRR rates be effective with service rendered on and after February 27, 2018, subject to Commission review and approval. This change is 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.

If approved, a typical residential customer using 894 Kwh will see a decrease of \$0.11 per month. The GRRR is shown as a separate line item on your bill.

**Notice of Annual Update to the  
 Generation Resource Recovery  
 Rider (Cont.)**

**RESIDENTIAL & SMALL GENERAL**

Applicable Rate Schedules ..10, 13, 16, 20, 25, & 40	
Current Rate.....	\$0.00284 per Kwh
Proposed Rate .....	\$0.00272 per Kwh
Change .....	(\$0.00012) per Kwh

**LARGE GENERAL**

Applicable Rate Schedules .....	30, 31, 38, & 48
Current Rate.....	\$0.82212 per Kw
Proposed Rate .....	\$0.78929 per Kw
Change .....	(\$0.03283) per Kw

**SPACE HEATING**

Applicable Rate Schedule .....	32
Current Rate.....	\$0.44987 per Kw
Proposed Rate .....	\$0.43495 per Kw
Change .....	(\$0.01492) per Kw

**LIGHTING**

Applicable Rate Schedules .....	41 & 52
Current Rate.....	\$0.00110 per Kwh
Proposed Rate .....	\$0.00105 per Kwh
Change .....	(\$0.00005) per Kwh

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

