



## TRANSMISSION COST RECOVERY RIDER Effective May 1, 2018

On March 1, 2018, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the South Dakota Public Utilities Commission (Commission) to update its Transmission Cost Recovery Rider (TCRR) rate in accordance with the Company's Transmission Cost Recovery Rider Rate 59 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 20, 2018, the Commission approved the Company's request to update the TCRR rate with the new rate effective May 1, 2018. 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 \$0.00438 per Kwh and the new TCRR rate of \$0.00545 per Kwh, excluding taxes. A typical residential customer using 853 Kwh would see an increase of \$0.91 per month, or \$10.92 annually.

<u>Kwh</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Change</u>	<u>Percent Change</u>
500	\$62.73	\$63.27	\$0.54	0.86%
600	73.78	74.42	0.64	0.87%
700	84.84	85.59	0.75	0.88%
800	94.40	95.26	0.86	0.91%
900	102.46	103.43	0.97	0.95%
1,000	110.53	111.60	1.07	0.97%

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



## INFRASTRUCTURE RIDER Effective May 1, 2018

On March 1, 2018, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the South Dakota Public Utilities Commission (Commission) to update its Infrastructure Rider (IR) rate in accordance with the Company's Infrastructure Rider Rate 56 tariff that states the rates will be revised annually to reflect the projected costs to be recovered through the next year. The IR rate recovers the jurisdictional costs associated with infrastructure investments related to the Company's investment in the Thunder Spirit Wind Project and a true-up amount from the current IR rate effective July 1, 2016.

On April 20, 2018, the Commission approved the Company's request to update the IR rate with the new rate effective May 1, 2018. The Infrastructure Rider is shown as a separate line item on your electric bill.

The table below provides a comparison of the residential customer's winter bill at the current rate of \$0.00497 per Kwh and the new IR rate of \$0.00432 per Kwh, excluding taxes. A typical residential customer using 853 Kwh would see a decrease of \$0.55 per month, or \$6.60 annually.

<u>Kwh</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Change</u>	<u>Percent Change</u>
500	\$63.60	\$63.27	(\$0.33)	(0.52%)
600	74.81	74.42	( 0.39)	(0.52%)
700	86.05	85.59	( 0.46)	(0.53%)
800	95.78	95.26	( 0.52)	(0.54%)
900	104.01	103.43	( 0.58)	(0.56%)
1,000	112.25	111.60	( 0.65)	(0.58%)

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