

Customer Reference Guide

Important Utility Information



MONTANA-DAKOTA
UTILITIES CO.

A Division of MDU Resources Group, Inc.

In the Community to Serve[®]
1-800-MDU-FAST

We're here to serve you...



**In the Community
to Serve®**

Welcome!

We're pleased to have you as a Montana-Dakota customer and have prepared this handy booklet for you to use as a reference tool for when you have questions.

Inside, you will find information on most utility issues and services Montana-Dakota offers.

As always, Montana-Dakota employees are available to help with your questions. When you call 1-800-MDU FAST (1-800-638-3278), your call will be answered by a knowledgeable employee who is equipped to handle all your energy needs....

...That's what we do at MDU.

Contents

Contents

In the Community to Serve.....	2
For Our Natural Gas Customers	3
For Our Electric Customers	3
How You Buy Energy	
Natural Gas	4
Electricity.....	4
Meters	5
Conservation & Safety Tips.....	6
Life-Sustaining Equipment	8
Important Reminders	8
Your Monthly Utility Bill	11
How to Read Your Utility Bill.....	13
Payment & Billing Options	14
Why Your Monthly Bills Vary.....	16
What to Do if You Have Trouble Paying	17
Connecting & Disconnecting Service.....	17
When You Want to Contact Us	18
Contacting the Public Service Commission/Utilities Commission ...	18
Your Rights & Remedies	18

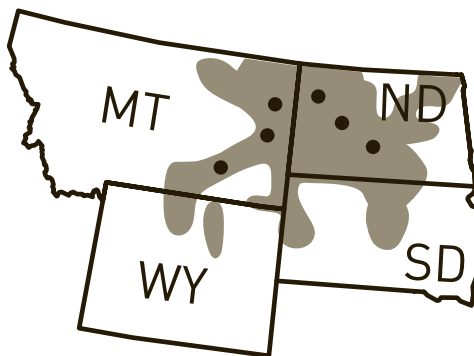
Welcome to MDU

We hope this booklet will serve as a valuable reference tool for you. It might be a good idea to keep it handy - should you have questions about our services in the future.

If you should have any additional questions, please call us at 1-800-MDU-FAST (1-800-638-3278) and a knowledgeable MDU employee will be happy to assist you further.



This is Montana-Dakota Country...



“In the Community to Serve”

Montana-Dakota Utilities Co. (Montana-Dakota) didn’t come about overnight. No, it’s taken over 80 years of hard work to grow from a small electric company serving a handful of farm communities to a large regional energy supplier. During those years of growth, we changed our name a few times, acquired a number of smaller companies and progressed side by side with those we serve.

Today, we’re a Division of MDU Resources Group, Inc., a diversified energy company. We provide retail natural gas and/or electric service to parts of Montana, North Dakota, South Dakota, and Wyoming. Our service area covers over 168,000 square miles (5.5 percent of the continental USA) and we serve a population of about 550,000.

Over the years, Montana-Dakota has adopted the slogan “*In the Community to Serve,*” and we believe in those words. Our success as a company is rooted in the growth and prosperity of our communities. We’re committed to help meet tomorrow’s challenges and opportunities by providing affordable and reliable energy services.

For Our Natural Gas Customers...

Natural gas is a colorless and odorless fuel. We maintain a constant, reliable supply to meet your heating, air conditioning, cooking, clothes drying and water heating needs. The natural gas we purchase is from abundant domestic sources and is not vulnerable to supply disruptions by foreign governments.

Natural gas is also a very safe fuel. But, like other products in your home, it can be hazardous if misused. We give natural gas a distinct odor for your safety. *If you smell gas, call us immediately. We will respond to all emergency requests at no charge.*

Call us at 1-800-MDU-FAST (1-800-638-3278).

On occasion, we enclose a scratch and sniff insert with your utility bill so you and your family can recognize the odor added to natural gas. If you would like to learn more about natural gas or have questions about its safe use, we would be glad to tell you more.

Keep all of your natural gas appliances and equipment clean and properly maintained to help ensure safe and efficient operation.

For Our Electric Customers...

We take pride in our record of reliable electric service. We never realize how much we depend on this silent servant until it is interrupted by a bad storm or equipment failure.

If your power should go out, find out if neighboring homes still have electric service. If they still have power, check your fuse box or circuit breaker panel. If a fuse is blown, or a circuit breaker is open, turn off the lights and appliances on the circuit. This will help prevent damage to your appliances and your electrical system as well. Then replace the fuse with the correct amperage for the circuit or turn on the breaker. If a fuse continues to blow or breaker to open, call an electrician to find and repair the problem.

When the electric outage is not confined to your home, disconnect or turn off as many electrical appliances and lights as possible. This will help protect your equipment and reduce the initial demand for electricity when the power is reconnected. Leave one light switched to the "on" position so you can tell when power is restored. Then you can reconnect appliances one at a time.

Call Montana-Dakota to report any outage not confined to your home unless you know a neighbor has already reported it.



Montana-Dakota's primary goal is to furnish reliable electric service at fair rates. But, our electric system is widespread and exposed to storms and other factors we cannot control. Although we employ the latest developments in equipment and operating methods to maintain adequate service, we cannot guarantee uninterrupted power. If you have computers and other sensitive equipment that require high grade, uninterrupted power, you should check with your computer equipment supplier for information on devices that will ensure the power quality you need.

How You Buy Energy...

Every time you flip a switch or turn a dial you buy energy. It's our job to bring electricity and/or natural gas to your meters, but you are responsible for how it is used inside your home. You do have control over your bill. By being aware of how you use energy, and by eliminating waste, you may be able to reduce your bill.

Natural Gas: Your natural gas meter measures the volume of gas you use each billing period. Your bill shows the difference between your meter's present and previous readings in units called "Mcf" (an Mcf is one thousand cubic feet). Since the energy content of an Mcf of natural gas varies slightly throughout our service area, we convert the volume of gas you use to energy units called "decatherms" (a decatherm, or dk, equals one million British Thermal Units of energy). By doing this, we ensure you are billed for the amount of energy you used based on the energy content of natural gas for your locality.

Electricity: Your consumption of electricity is measured and billed in units called kilowatt-hours (kwh). The number of kilowatt-hours you use each month is shown on your bill. Light bulbs can be used to help you understand kilowatt-hours. If you turn on ten 100-watt bulbs, you create a demand of 1,000 watts or one kilowatt of electricity (10 bulbs x 100 watts). If those 10 bulbs burn for one hour, you've used one kilowatt-hour of electricity. If the lights burn for three hours, you have used 3 kwh. The expected demand in kilowatts is indicated on most electrical appliances.

Meters: Your electric and natural gas meters measure how much energy you use. Meters are accurate instruments and care must be taken to ensure they are not damaged. Tampering with a utility meter is not only a criminal offense, it is dangerous too.

Your meters are read about the same date every month. If we are unable to read your meter because of extreme weather conditions, or if the meter is inside and we cannot gain access, we may have to estimate usage on your bill that month. Any difference between our

estimate and your actual usage will be corrected automatically the next time your meter is read.

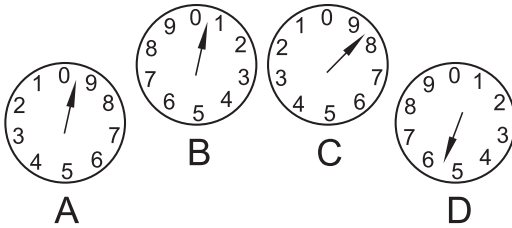
After your meter is read, your bill is calculated according to the rates that have been approved by the Public Service Commission or the Public Utilities Commission of your state. Copies of these rates are available online at www.montana-dakota.com or call 1-800-MDU-FAST to have a copy mailed to you. When there is a change in rates, an explanation of the change is included with your utility bill.

Automated Meter Reading (AMR): In some parts of the company's service territory, Montana-Dakota has installed meters equipped with AMR technology. This technology allows Montana-Dakota to collect meter read data remotely without having to physically visit and manually read the electric and/or natural gas meter. The AMR equipped meters record electric and natural gas usage logged by the meter. The meter data is sent from that module to a receiver using a radio frequency communication technology. The AMR system then collects the reads with walk by handheld receivers, mobile receivers or fixed tower collectors. The information collected is then sent to the utility billing system to produce timely and accurate bills.

How To Read Your Meter...

A meter is used to measure either the cubic feet of natural gas or the kilowatt-hours of electricity you use. Reading a meter is similar to reading a clock. Here's what to do:

Read the number as indicated by the hands on the dials. (The dials on the natural gas and electric meters are similar.) If a hand is between two numbers, read the small number, except when the hand is between 0 and 9, in which case you read the number 9.



In the illustration, dial A reads 9; dial B reads 0; dial C reads 8; and dial D reads 5. The correct reading of this meter is 9085.

The amount of energy you have used is determined by subtracting last month's meter reading from the current reading. If you have questions about how to read your natural gas or electric meter, contact us at 1-800-MDU-FAST. Please keep this information on hand for future use.

Conservation & Safety Tips

Saving Energy and Money...

Managing your utility bill begins at home with you. There are three ways to help hold household energy costs down.

Conservation Incentives: Montana-Dakota offers several incentives to customers who invest in energy conservation efforts for their natural gas and electric consumption. As an ENERGY STAR® partner, Montana-Dakota offers incentives for the purchase and installation of ENERGY STAR qualified products. The programs vary by state and energy usage type. For more information regarding the programs available in each state and terms and conditions, visit www.montana-dakota.com or contact Montana-Dakota at 1-800-MDU-FAST.

Weatherize your home: Projects can be as simple as caulking and weather stripping around windows and doors to a major undertaking like adding wall insulation. Montana-Dakota can provide you with free booklets that contain everything from conservation tips to “how to’s” on weatherization projects.

Change your living habits: You can also save energy by reducing the temperature setting on your water heater to the “warm” position and adjust your winter thermostat temperature down at night. Pull the drapes to minimize heat loss through windows.

Use appliances and equipment that are more energy efficient: Most appliance dealers and heating contractors sell products that are much more energy efficient than those available just a decade ago. Insist on a high efficiency model when you make your next major appliance purchase.

CAUTION: Montana-Dakota fully supports energy conservation, but we feel it is important to inform you about two dangers that might result from improper energy conservation practices. We don’t mean to frighten you – just inform you.

Hypothermia: Heating is the major consumer of energy in the home. To conserve energy, some people turn the heat down. This is great for healthy, active people who can just put on a sweater and feel comfortable. But, young children, people confined to a bed or chair due to illness, and the elderly may be in serious danger of accidental hypothermia.

Hypothermia (“hypo” - below, and “thermia” - temperature) is the result of the body not being able to produce enough heat. It is sometimes confused with “hyperthermia” which means abnormally high temperature.

With hypothermia, when the core body temperature drops below 94° F uncontrollable shivering may begin. As the body cools further, shivering will continue until it gets to 90° F, when it reaches the danger area. Below this temperature, a life-threatening situation is present and, if left untreated, can result in death.

Here are some symptoms of hypothermia:

- Skin is pale and waxy. Face may be puffy and swollen.
- Trembling may occur, accompanied by chills, but not always.
- The person may feel warm.
- Speech slows and words become slurred.
- The person becomes forgetful.
- The person becomes very tired.

Since mental confusion is one of the first symptoms, the person is normally not aware of what is happening. **Hypothermia, even in early stages, needs immediate attention!** If you can't reach a doctor, take the person to a hospital immediately.

Remember...everyone is susceptible to hypothermia if the conditions are right. Pay particular attention to those that appear overly tired or cold.

The best solution to hypothermia, of course, is to prevent it from happening. Keep your home warm enough so additional layers of clothing or bedding will prevent the first chill. Your doctor is your best source of additional information on hypothermia.

Back Drafting: In our efforts to reduce heating costs, many of us have turned to woodburning fireplaces and stoves as supplementary sources of heat along with natural gas furnaces. However, many homes are often too tight to provide adequate air for the safe operation of open flame heating systems (fireplaces, wood/coal stoves, natural gas furnaces, etc.). We feel that everyone should try to conserve energy, but after you weatherize you may need to add a combustion air source to prevent back drafting.

Fireplaces require a lot of air. If there is not enough air to satisfy the requirements of a fireplace or wood stove as well as a furnace or water heater all burning at the same time, the fireplace draft can pull toxic combustion products from these gas appliances back into the living area. This condition can seriously endanger health. The

products of combustion (which may contain carbon monoxide) must be continuously removed while the fireplace or stove is operating. In fact, any device that exhausts air from the home (including kitchen or bathroom exhaust fans) can contribute to the back drafting problem.

To Check for Back Drafting: Start a fire in the fireplace on a cold day and after a few minutes, touch the vent pipe of the furnace, water heater, or any space heater. (*Careful, they may be very hot!*) If the vent is cold, your fireplace could be creating a dangerous back draft. Turn down the thermostats and water heater temperature controls, let the fireplace burn down and call a heating contractor.

Anyone requiring life-sustaining equipment must have an emergency standby power supply.

Life-Sustaining Equipment...Please read carefully.

Anyone requiring life-sustaining equipment such as iron lungs, chest respirators and rocking beds must have an emergency standby power supply.

Life sustaining equipment includes any electrically operated support system such as tank-type respirators (iron lungs), Cuirass-type respirators (chest respirators), intermittent positive pressure respirators, hemodialysis equipment (kidney machines), mechanical nebulizers, suction machines, rocking beds, apnea monitors or other similar equipment.

If you are a landlord with tenants using such equipment, please advise them of the safety equipment requirement to have an emergency standby power supply.

Montana-Dakota does everything possible to provide reliable service. But, because of weather, mechanical failure, and other circumstances beyond our control, we cannot guarantee uninterrupted electric service.

Important Reminders...

Before You Dig: Planning a home improvement job, planting a tree or shrub, or installing a fence or deck? Please call the one-call number 8-1-1 two working days prior to any digging to have your service lines located and marked. The depth of utility lines varies and there may be multiple utility lines in a common area.

Calling 8-1-1 before every digging job gets your underground utility lines marked for free and helps prevent undesired consequences. Digging without calling can disrupt service to an entire neighborhood, harm you and those around you, and potentially result in fines and repair costs.

Important



Know what's below.
Call before you dig.

We sincerely hope that you will always call for location of your service lines *before* you start digging so that damage to the service line can be avoided. But, should you damage your service line, even if only the pipe coating is damaged, please call 9-1-1 and then call 1-800-MDU-FAST (1-800-638-3278) and have someone inspect and repair the damage immediately. ***Never backfill or cover a damaged line until repairs have been made by Montana-Dakota. Damaged lines may corrode causing them to leak in the future and possibly harm your family.***

Buried Gas Line: If you have a buried gas line to your garage, shop, barbecue grill, gas light or any other location, United States Department of Transportation rules effective on August 14, 1995, apply to you.

Montana-Dakota operates and maintains all gas piping through your gas meter in accordance with Federal Gas Pipeline Safety Regulations. Buried gas lines downstream of the meter are your responsibility and subject to the same inspection and maintenance requirements as similar company-owned lines. That is, they must be monitored for corrosion and leakage. If unsafe conditions are found, buried lines must be repaired or disconnected.

When excavating near buried gas piping, the piping should be located in advance and the excavation around the piping must be done by hand.

After The Storm:

- Storms can down power lines. **Storm-downed lines should always be considered dangerous – so stay at least six feet away.**
- Power lines draped over highway barriers or fences can energize them for great distances. **Don't touch anything that's in contact with the wire.**
- If a power line falls on your car, stay in the car and wait for help. If you must get out, make sure you do not touch the metal parts of the car and the ground at the same time. The safest method is to open the door, stand on the door sill and jump free without touching the car.
- Never try to cut fallen wires.
- Consider every fallen wire dangerous. **Report it to authorities or call Montana-Dakota.**

To help insure uninterrupted gas service to your home:

- Keep gas meters and regulators free of heavy accumulations of ice or snow.
- Do not strike meter when using snow blower, blades or shovels.
- Do not place metal objects close to the meter set.

Heavy snows, ice falling from eaves and various other problems can cause meters to snap off customer piping and interrupt service. Snow covering meters may cause the meter safety equipment to shut off service to your home.

If your natural gas service is interrupted, for any reason, please call us. We appreciate your cooperation.

Dog Days: Our meter readers visit many homes and businesses in our service area. Each day several will have painful skirmishes with a family dog and some will require medical attention.

We understand that dogs are being loyal and protecting their turf, but, that loyalty can cause you a lot of hassle. If your dog blocks access to your gas or electric meter, you may receive an estimated bill. If your pet bites one of our meter readers it could be impounded for medical tests.

You can avoid a lot of inconvenience and, at the same time, help us serve you more efficiently by following a few simple tips:

- Try to be aware when we will be reading your meter and take special precautions around that time. You can estimate when we will be at your house by looking at the “Reading Date” entry on your utility bill. We’ll read about the same day each month.
- Secure pets well away from your meter(s) and place their food and water away from the meter.

In general, try to give us clear access to your meter(s). Dogs are the most hazardous obstacles, but not the only ones. Please avoid hanging ropes and garden hoses around the meter. Trim bushes, shrubs and large flowers so they don’t completely cover the meter.

Your Monthly Utility Bill



SERVICE FOR ANY CUSTOMER
1234 MAIN ST
ANYWHERE, USA 12345-6789

ACCOUNT NUMBER
123 453 7890 1

BILL DATE
May 2, 2012

DATE DUE
May 24, 2012

AMOUNT DUE
\$112.76

www.montana-dakota.com

ACCOUNT SUMMARY

Previous Balance	\$52.95
Payment Received 4/12/2012 Thank you	-65.33
Current Electric Charges	103.40
Current Gas Charges	21.74
Amount Due on 5/24/12	\$112.76

CUSTOMER SERVICE & EMERGENCY SERVICE

1-800-638-3278

Emergencies: 24 hours a day
Non-emergencies: Mon-Fri, 7 AM - 7 PM
Email: customerservice@mdu.com
Mail: Montana-Dakota Utilities Co.,
Attn: Customer Service, PO Box 7608, Boise, ID 83707-1608. Please include your account number.



Payment Due ▲
See "Ways to Pay Your Bill" on the back of this page.

CALL BEFORE YOU DIG 811



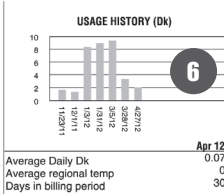
Gas Charges

BILLING PERIOD 3/29/12 - 4/27/12
DAYS 30

METER NUMBER 012804446

METER READ DATE 4/27/12
Next scheduled read 5/29/12

RATE 66 - Residential Gas





Customer Service: 1-800-638-3278 • 7 a.m.-7 p.m. Monday-Friday
 Call volume is generally higher on Mondays, for faster service please call Tuesday-Friday.
www.montana-dakota.com

Ways to Pay Your Bill

Easy-Pay: Automatically pay your bill each month by having Montana-Dakota Utilities Co. withdraw your preauthorized payment from your financial institution. To enroll, call 1-800-638-3278 or complete the Easy-Pay Enrollment authorization form located on our website, www.montana-dakota.com, and return with a voided check.

Pay By Phone or Online: We accept payments through Western Union® Speedpay, a third-party service provider. You will find the Speedpay link on our website or simply call toll-free 1-866-263-5185 and follow the prompts. Payments can be made 24/7 using your credit card, debit card or electronic transfer from a checking, money market or savings account. You will need your utility account number (available on your bill) to process your payment. Western Union® Speedpay® charges a \$3.95 convenience fee per transaction for this service.

Payment Locations: Pay by cash, check or money order at one of our payment locations;

there is no charge for this service. Call Customer Service or visit our website for the nearest payment location. Payments made at a payment location are not credited to your account until they are received by Montana-Dakota Utilities.

By Mail: Mail your payment to Montana-Dakota Utilities Co., P.O. Box 5600, Bismarck, ND 58506-5600. Be sure to allow time for mailing so your payment is received by the due date.

Balanced Billing: This billing plan levels out your monthly bill so you can reduce fluctuations brought on by changes in the weather and the cost of energy. To enroll, complete the Balance Billing form located on our website or contact Customer Service at 1-800-638-3278.

Payment Due Date: Your bill is past due if not paid within 22 days after it is mailed. If you are paying with a credit card or paying at one of our payment locations in response to a Disconnection of Service Notice, please contact Montana-Dakota at 1-800-638-3278 and let us know that payment has been made.

Billing Terms and Definitions

The rates reflected on your bill have been approved by the Public Service Commission or Public Utilities Commission in the state where service is provided. Copies of the company's current tariffs are available at www.montana-dakota.com.

Basic Service Charge or Base Rate: A monthly or daily charge designed to recover a portion of the fixed costs incurred in providing utility service regardless of how much energy is used.

Constant: A fixed value used to convert meter readings to actual energy use when certain equipment is used in the metering process such as current and potential transformers.

Cost of Gas: This charge recovers the cost of gas itself as well as other related costs Montana-Dakota incurs from its pipeline suppliers in providing natural gas service. The cost is strictly a pass-through to customers and does not provide Montana-Dakota with a profit.

CTA - Conservation Tracking Adjustment: A charge that provides funding for Commission-approved conservation programs.

Demand Charge: A charge designed to recover the demand or peak-related costs associated with the delivery of electric service from the generation source to your meter.

Distribution Delivery Charge or Energy Charge: A volumetric charge to recover the costs of delivering energy to your meter. This amount varies with the amount of energy used.

DDSM - Distribution Delivery Stabilization Mechanism: A charge applicable to gas service designed to adjust for the over- or under-collection of distribution delivery revenues due to actual temperature deviations from normal temperatures. This adjustment is applicable during the billing periods Nov. 1-May 1.

Dk - Dekatherms: The Dk billed is reflective of the total amount of natural gas used in the billing period. The amount of natural gas used as measured by the gas meter is converted to Dk by applying a therm factor to the measured use.

Important Customer Information
 If you have questions regarding your bill or service, please call Montana-Dakota Customer Service FIRST at 1-800-638-3278. If you cannot pay your bill at this time, we are willing to make satisfactory payment arrangements. If your questions are not resolved after you have called Customer Service, you may contact the regulatory agencies governing in the state service is provided.

- MT PSC: 1-800-646-6150 or write to P.O. Box 202601, Helena, MT 59620-2601
- PSC:ND:to 600 E. Boulevard, Bismarck, ND 58505-0480
- PUC:SD:to 773-3201
- PSC:WV:to 2515 Warren Avenue, Suite 300, Cheyenne, WY 82002

Fuel and Purchased Power: This charge recovers the fuel and purchased power costs the company incurs in supplying its customers with electricity. This cost is a pass-through to customers and is subject to change on a monthly basis.

Fuel Cost Adj: Adjustment per Kwh to reflect changes in the cost of fuel and purchased power the company incurs in supplying its customers with electricity. This adjustment is a pass-through to customers and is subject to change on a monthly basis.

Kw - Kilowatt: The Kw billed is the peak demand (or maximum 15-minute measured demand) for electricity during the billing period or the minimum Kw amount as stated in the company's tariffs.

Kwh - Kilowatt-hour: The Kwh billed is the total amount of electricity used in the billing period. **Kwh Penalty:** A penalty applicable to a customer operating its facilities outside the power factor range stated on the company's tariffs.

Power Supply Cost Adj: Adjustment per Kwh to reflect changes in the cost of fuel and purchased power the company incurs in supplying its customers with electricity. This adjustment is a pass-through to customers and is subject to change on an annual basis.

TCA - Transmission Cost Adjustment: A charge per Kwh applicable to electric service for recovery of transmission related expenditures and investments net of revenues received from others. The TCA is subject to change on an annual basis.

Therm Factor: The therm factor adjusts the amount of natural gas measured by the meter for the heat content and atmospheric pressure of the gas delivered to a customer's premise. This conversion ensures that all customers are billed based on the heat value of the gas during the applicable billing period.

USBC - Universal System Benefits Charge: A charge that provides funding for conservation and low-income programs.

Payments made by check or electronically that are dishonored by the bank will be assessed a returned payment fee.

When you provide a check as payment, you authorize us to use information from your check either to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer (EFT), funds may be withdrawn from your account as soon as the same day we receive your payment. The transaction will appear on your bank statement as EFT and you will not receive a copy or an image of your check from your financial institution.

Payments marked with a restrictive legend (Paid in Full, for example) will not act as an accord and satisfaction without our express prior written approval.

Moving? To avoid being billed for service you have not used, please contact us at least two business days before you want service disconnected.

Has your mailing / email address or phone number changed?

Please provide details here and check the box on the front of this stub.

Account No: _____

Name: _____

Mailing Address: _____

City: _____ State: _____ ZIP: _____

Phone: (_____) _____ Email: _____

How to Read Your Utility Bill

1. **Customer Information** Here you will find the name listed on the account, as well as the service address where natural gas and/or electricity is delivered.
2. **New Account Number** This area contains your new account number, the bill date, the amount due and the date payment is due. Information previously connected to your old account number will be linked to your new account number.
3. **Account Summary** This area provides a summary of your account: your previous balance, previous payment, current balance, total amount due and the due date of your next payment. Adjustments, if any, also will be shown here.
4. **Montana-Dakota Utilities Co. Contact Information** Use the information here to contact us, to report an emergency and to get answers to all of your billing and customer service questions.
5. **Charge Detail** This area gives a detailed listing of natural gas and/or electric utility service charges, including your consumption, the most recent meter reading, days in the billing cycle and the applicable rate schedule. A separate section will be shown for each service.
6. **Usage History** This graph shows up to a 13-month comparison of your historical natural gas and/or electric consumption.
7. **Bill Remittance Stub** Return this portion of the bill to Montana-Dakota with your payment. When mailing your payment, please make sure the address on the remittance stub shows through the window on the return envelope.
8. **Energy Assistance Donation** This area allows you to donate to Energy Share or to the assistance program designated in your area. These programs assist customers in need by helping pay part of their energy costs. To make a tax-deductible contribution, simply enter the amount of the contribution on this line and add that amount to your payment.
9. **Ways to Pay Your Bill** This section provides information about the various bill-payment options available to Montana-Dakota customers.
10. **Billing Terms and Definitions** Important billing terms and definitions that are useful for understanding your bill can be found in this area.
11. **New Address or Phone Number** If your contact information has changed, please complete this section and send it to Montana-Dakota with your payment.

Payment & Billing Options

Online account services: Save time, trees, postage and gasoline by switching to paperless statements and managing your account online. Our online account services will give you the **flexibility of reviewing your account information and monitoring your monthly usage history** throughout the year. Access your account 24 hours a day for account information, a usage summary, energy conservation tips and a help center. Make an online payment from your active U.S. checking account. It's an easy and secure way to view and/or pay your bill free of charge online 24/7. To sign up for online account services visit montana-dakota.com.

Easy-Pay (Direct Bank Payment): Our Easy-Pay plan allows you to have your bill automatically deducted from your checking account. Each month you will receive your Montana-Dakota bill as usual. Your preauthorized payment will be withdrawn from your designated financial institution 10 business days following the bill date shown on your billing statement. There is no charge to enroll in this service and all customers whose accounts are in good standing are eligible to participate. To enroll in Montana-Dakota's Easy-Pay plan contact us at 1-800-638-3278 or visit montana-dakota.com.

Drop Boxes: Montana-Dakota has several authorized drop box locations throughout its service territory. Do not deposit cash in our payment drop boxes. Paying by personal check or money order is much more secure and makes the possibility of missing payments less likely. Please allow 5 business days for payment processing. Call 1-800-638-3278 or visit montana-dakota.com for a listing of drop box locations.

Mail: Enclose the lower portion of your bill along with a check or money order in the return envelope included with your billing statement. It is not a good idea to send cash through the mail.

Western Union Convenience Pay®: To pay your Montana-Dakota bill at an area pay station, just take your Montana-Dakota bill to a nearby Western Union Convenience Pay location. Pay your utility bill with cash or check, there is no charge for this service. It typically takes one business day for a payment at a Convenience Pay location to be processed by Montana-Dakota. A receipt will be provided to you to confirm the transaction. Find an up-to-date list of Convenience Pay locations at montana-dakota.com, or contact Western Union at **1-800-551-8001**.

Western Union® Speedpay® (Pay-by-Phone and Pay Online):

Payments can be made by phone or online anytime with electronic transfer from your checking, savings or money market account. You can also use ATM or Debit cards if the card has a “NYC”, “PULSE”, or “STAR” logo, or your Visa, MasterCard or Discover credit card. Pay-by-Phone and Pay Online options use Western Union® Speedpay®, an independent service provider not affiliated with Montana-Dakota Utilities, to process all payments. Each time you use these services you will be charged a convenience fee of \$3.95 by Western Union for each transaction. Here is how it works:

Pay-by-Phone: Call 1-866-263-5185 and follow the prompts. You may also opt to speak to a Montana-Dakota customer service representative from 7:30 am to 6:30 pm Central Time by calling 1-800-638-3278 (be sure to have your account number ready).

Pay Online: You can pay online by visiting www.speedpay.com.

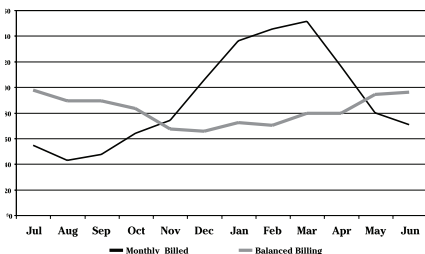
Balanced Billing: Balanced billing takes the guesswork out of budgeting and levels out your monthly Montana-Dakota bill so you can reduce fluctuations brought on by changes in the weather and price of energy.

With Balanced Billing, your monthly bill is computed by taking an average of your natural gas and/or electric usage during the previous 11 months and the current month’s usage. Current energy prices are then applied to this average monthly usage to calculate the current payment due.

Balanced Billing is a free service. To learn more or enroll call 1-800-638-3278 or visit montana-dakota.com.

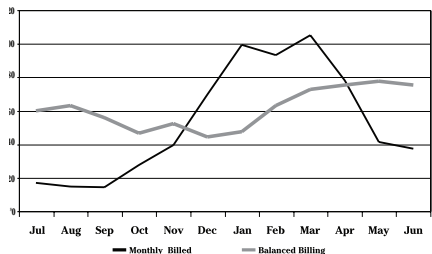
Example: The following graph is an illustration of how an actual MDU **natural gas and electric** customer’s bill looks like on Balanced Billing – and what it would look like without balanced billing.

Gas & Electric



Example: The following graph is an illustration of how an actual MDU **natural gas** customer’s bill looks like on Balanced Billing – and what it would look like without balanced billing.

Gas



Why Your Monthly Bills Vary

There are many reasons why your utility bill may vary from month to month. Here are some examples:

Weather: Cold, windy weather forces your furnace to provide more heat to keep your home comfortable. Likewise, hot, humid summers cause your air conditioner to use more energy to cool your home.

Longer Nights: Winter months bring shorter days and longer nights, which mean you'll have more indoor activity and use more energy.

Change in Lifestyle: House guests, illness, new baby, and so on can mean more showers, more laundry and more cooking. Each increases energy use, even if only for a short time.

Vacations: Your home will probably use less energy when you're away. But, remember your refrigerator, furnace and other appliances continue to operate (and use energy) while you are gone.

Appliances: Adding appliances or appliances that need cleaning or repair usually use more energy.

Seasonal Uses: Car engine heaters that help start your car in the winter or the extra refrigerator you use to cool additional food and beverages are examples of items that could increase your bills during various times of the year.

Number of Billing Days: Your billing days may vary. The more days you've used energy, the higher your bill will be. Your utility bill tells you how many days your bill covers.

Other Services: You may have incurred a charge for some service from Montana-Dakota. These costs added to your regular charge for energy will increase the total amount of your bill.

Why is my utility bill different from my neighbor's?

Housing Differences: The type of construction, size and location of a house have a lot to do with how much energy it uses. A large, well-insulated house protected from the wind may use less heating energy than a small, poorly insulated house exposed to cold winter gusts.

Differences in Occupancy: A dwelling's utility costs are also affected by its number of occupants, their ages and living habits. Since preferences in room temperatures, laundering, bathing and cooking styles differ among households, differences can be expected in the amount of energy used.

Appliances: The number and size of appliances found in a home and how often they are used can significantly affect energy usage, especially electricity.

Lifestyle: People who stay-at-home tend to use more energy than those who are out frequently.

What to Do if You Have Trouble Paying

Montana-Dakota is concerned when customers have difficulty paying their utility bills. If you experience trouble paying your bill on time, call us at 1-800-638-3278.

Payment Arrangements: Payment arrangements can be made to help get your payments back on schedule. The amount of each payment is based on: the amount of the unpaid balance; the customer's ability to pay; the customer's payment record; and the length of time the bill has been outstanding.

Energy Assistance: The federal government provides funding to each state to assist low-income households in paying their energy bills. In some areas, there are also private, charitable funds available for emergency assistance. Montana-Dakota can direct you to the agencies responsible for these programs.

Weatherization Programs: Assistance is available through some government agencies to weatherize eligible low-income homes. Adding insulation, caulking and weather stripping are examples of the weatherization measures available at no cost to the homeowner. The added measures not only reduce the home's heating needs, but also improve its comfort.

Third Party Notice: Any Montana-Dakota customer can voluntarily select another person to be notified before utility service is disconnected. This "third party" is selected by the customer and usually is a friend, relative, clergyman or government agency. The third party program is strictly confidential.

The purpose of the third party is to make sure the customer receives and understands the disconnection notice and to help take action to prevent disconnection. Montana-Dakota Utilities Co. will start the program after receiving a request from you or another responsible person.

Connecting & Disconnecting Service...

We strive to make it as convenient as possible for you to start, stop or transfer your natural gas and/or electric service. Here are some tips to make it easier:

- Visit montana-dakota.com and select start service or stop or transfer service under the Customer Service tab. This will allow you to request service any time that is convenient for you. Online requests require an advance notice of at least two business days.
- Call 1-800-638-3278 and let us know the date you want service to start or stop. Please contact us as far in advance as possible.

Contact Us

- A request to start or stop service may require us to access your home. Arrangements will be made when you contact us.
- Requests to start or stop service during regular working hours are provided at no charge, if this service has not been previously requested in the past year. However, there is a charge if this service is performed outside of regular working hours.
- Deposits are not required for customers who have established good credit. If a deposit is required, the deposit will be returned to you (with interest) after 12 months if you have established a prompt payment record.
- If you are interested in establishing natural gas and/or electric service to a home or other building that does not currently have service, contact us at 1-800-638-3278.

When You Want to Contact Us...

Montana-Dakota Utilities Co. has a convenient 1-800 number. You can rely on knowledgeable employees to answer your questions.

For all your utility needs, call 1-800-MDU-FAST (1-800-638-3278).

When You Want to Contact the...

Public Service Commission/Public Utilities Commission

Montana-Dakota considers it a privilege to serve you. Serving you quickly and efficiently is important to Montana-Dakota and we encourage you to contact us whenever you have a question or a problem with your utility service.

Your state's Public Service/Utilities Commission regulates Montana-Dakota and is available for consultation on utility matters. You may call the office in your area (see left hand column).

Your Rights & Remedies...

The Public Service/Utilities Commission (Commission) in each state has established rules for you and Montana-Dakota, which must be followed before your utility service may be disconnected. Montana-Dakota provides you this information to advise you of your rights and to tell you how to avoid having your natural gas and/or electric service disconnected. If you would like additional help in understanding the rules, please call us at 1-800-MDU-FAST (1-800-638-3278).

We do not like to disconnect or refuse service to a customer, but sometimes we must.

**Montana Public
Service Commission**
1-800-646-6150
Helena, MT 59620

**North Dakota Public
Service Commission**
1-701-328-2400
Bismarck, ND 58505

**South Dakota Public
Utilities Commission**
1-800-332-1782
Pierre, SD 57501

**Wyoming Public
Service Commission**
1-888-570-9905
Cheyenne, WY 82002

Some reasons for involuntary disconnection are:

1. You have not paid your bill on time. Bills are due when received and become delinquent if payment is not received by the due date shown on the bill. If you cannot pay your Montana-Dakota bill on time, please call us at 1-800-MDU-FAST (1-800-638-3278). Arrangements may be made for payment of bills before a notice of disconnection of service is necessary. (See page 16.)
2. It has been determined that the meter or other equipment installed by Montana-Dakota has been tampered with, there has been a diversion of services, natural gas or electricity have been utilized before the energy has passed through a meter installed by Montana-Dakota, or a condition dangerous to life and property exists on your premises.
3. Safety is important to Montana-Dakota, that's why we enforce building codes pertaining to installation and operation of equipment and appliances, or for use of equipment which interferes with or affects the service to other customers. You will be given reasonable opportunity to change or disconnect such equipment.
4. Warning notice process. Prior to your service being disconnected, Montana-Dakota will give you written notice of shut-off. This notice will inform you of the necessary action required as well as a specific date that the action needs to be completed in order to avoid the pending disconnection of service.

After being notified, you may prevent disconnection by one of the following:

1. Paying the delinquent bill in full any time before actual disconnection of service takes place. For payment options, please refer to page 13.
2. Contact us to discuss a deferred installment agreement with Montana-Dakota for payment of the delinquent bill. If you enter into a deferred installment agreement, you must pay the delinquent account on or before the date specified in accordance with the deferred installment agreement plus the current bill. If you default on the terms of the installment payment agreement, Montana-Dakota may discontinue your service. You also have the opportunity to enter into an average monthly payment plan for future service. This is called the Balance Billing payment plan. (See page 15 for more details).
3. If your account has been identified as past due, and payment has been processed, a notice is sent to the accounting office informing them of the payment.

Disputes

Any time you receive a service bill from Montana-Dakota which you feel is wrong, please call us at 1-800-MDU-FAST (1-800-638-3278).

You have the right to dispute your service bill before the Commission. You may choose one of two ways:

1. Pay the disputed bill to Montana-Dakota under protest, to prevent disconnection for non-payment. Montana-Dakota will notify the Commission of the dispute and Montana-Dakota will refund any part of the payment made under protest found by the Commission to be in error.
2. Request a formal hearing before the Commission on the dispute and Montana-Dakota will not disconnect service for non-payment of the disputed portion of the bill until a final decision has been issued by the Commission.

Reconnection Process

If your service has been disconnected for non-payment of a bill, you will be required to pay a reconnection fee; make an initial or additional deposit if required; and make a satisfactory settlement for the delinquent bill and for service rendered between the last reading date and the date service was disconnected.



A Division of MDU Resources Group, Inc.

In the Community to Serve®

Call 1-800-MDU-FAST (1-800-638-3278)

www.montana-dakota.com