## Montana-Dakota Utilities Co. NOTICE OF FILING Natural Gas Distribution Pate

## Natural Gas DistributionRate Increase Requested

On November 1, 2023, Montana Dakota Utilities Co. (Montana-Dakota) filed an application for authority to increase the Company's rates for natural gas service with the North Dakota Public Service Commission (Commission). The Company is requesting an increase of \$11.6 million annually or an overall increase of 7.45 percent over current rates. If approved, a residential customer's bill would increase, by about \$5.90 a month.

Montana-Dakota's last natural gas rate increase in North Dakota was in 2021 and resulted in a 6.0 percent increase to customers. Investments in system upgrades and pipeline replacement projects enhancing the reliability, safety and integrity of the natural gas system, as well as increased costs to operate and maintain that system, are the main reasons for the increase request.

As part of this regulatory filing, Montana-Dakota is also seeking to combine natural gas operations within North Dakota, which means transitioning the 2,346 Great Plains Natural Gas Co. (Great Plains) customers in Wahpeton and surrounding areas to Montana-Dakota. If approved by the Commission and effective upon implementation of final rates in this case, Great Plains customers will be served under Montana-Dakota's tariffs and will transition to a Montana-Dakota customer within six months of approval.

Customer Class	<u>Revenue</u>	<u>Increase</u>
Residential	\$7,500,074	9.84%
Firm General	\$3,542,590	4.82%
Air Force Base	\$370,295	20.45%
Small Interruptible	\$156,728	4.31%
Large Interruptible	\$70,323	7.02%
Total	\$11,640,010	7.45%

Montana-Dakota has also filed an interim increase in revenues of \$10.1 million annually or an overall increase of 6.46 percent. The proposed interim rate of 20.856 percent would be applicable to the amounts billed under the Basic Service Charge and Distribution Charge of each rate schedule. The Company's interim request provides for the collection of a portion of the amount requested on a final basis to be effective on an interim basis, subject to refund, during the time the Commission is investigating the Company's Application to change rates. A Montana-Dakota residential customer's bill would increase approximately \$5.20 per month under the interim rate.

You can view the Company's application and proposed rates on file with the Commission by visiting the Company's web site at www.montana-dakota.com/rates-and-services/rate-cases) and/or the Commission's web site at www.nd.gov.



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