

# Montana-Dakota Utilities Co.

## NOTICE OF FILING

### Natural Gas Distribution Rate Increase Requested

On July 15, 2024, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application for authority to increase the Company's rates for natural gas service with the Montana Public Service Commission (Commission). The Company is requesting an increase of approximately \$9.4 million annually or an overall increase of 11.1 percent over current rates. If the Company's request is approved as filed, a residential customer's monthly bill would increase on an average about \$8.70 per month.

The primary reason for the increase is increased 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. The Commission has up to nine months to issue a decision on the proposed increase.

Montana-Dakota has also requested an interim increase in revenues of \$8.0 million annually or an overall increase of 10.2 percent. The Company's interim rate of 28.857 percent would be applicable to the amounts billed under the Basic Service Charge and Distribution Charge of each rate schedule. The interim increase, if approved, would allow the Company to implement an interim rate while the Commission considers the Company's application to change rates. The interim rate increase is subject to refund upon final approval in this case. An average residential customer's bill would increase by about \$5.20 per month under the interim rate.



*(Cont. on back)*

A summary of the proposed increase by rate class and current and proposed rates is shown below.

The Cost of Gas rates are subject to change monthly and are not part of the Company's request.

<u>Rate Class</u>	<u>Revenue Increase</u>	<u>% Increase</u>
Residential.....	\$8,168,854 .....	16.40%
Firm General .....	1,195,101 .....	3.76%
Small Interruptible .....	4,821 .....	0.28%
Large Interruptible .....	31,492 .....	2.52%
<b>Total Montana .....</b>	<b>\$9,400,268 .....</b>	<b>11.11%</b>

Current Rates      Proposed Rates

**Residential Gas Service – Rate 60**

Basic Service Charge.....	\$0.30 per day.....	\$0.55 per day
Distribution Delivery Charge..	\$1.352 per dk.....	\$1.408 per dk
Cost of Gas Eff. 7-1-24.....	\$3.721 per dk.....	\$3.721 per dk
CTA (Rate 90).....	\$0.009 per dk.....	\$0.009 per dk
Tax Tracking Adjustment .....	22.6700%.....	18.4388%

**Residential Gas Service – Rate 70**

Basic Service Charge		
Under 500 cubic ft per hr...	\$0.60 per day.....	\$1.05 per day
Over 500 cubic ft per hr.....	\$1.75 per day.....	\$2.30 per day
Distribution Delivery Charge		
Under 500 cubic ft per hr...	\$1.577 per dk.....	\$1.414 per dk
Over 500 cubic ft per hr.....	\$1.491 per dk.....	\$1.383 per dk
Cost of Gas Eff. 7-1-24.....	\$3.721 per dk.....	\$3.721 per dk
CTA (Rate 90).....	\$0.009 per dk.....	\$0.009 per dk
Tax Tracking Adjustment .....	22.6700%.....	18.4388%

**Small Interruptible General Gas Service - Rate 71**

Basic Service Charge.....	\$312.00 per month.....	\$360.00 per month
Distribution Delivery Charge		
Maximum Rate.....	\$0.794 per dk.....	\$0.802 per dk
Minimum Rate.....	\$0.101 per dk.....	\$0.101 per dk
Cost of Gas Eff. 7-1-24.....	\$2.484 per dk.....	\$2.484 per dk
Tax Tracking Adjustment .....	22.6700%.....	18.4388%

**Large Interruptible General Gas Service - Rate 85**

Basic Service Charge.....	\$567.25 per month .....	\$750.00 per month
Distribution Delivery Charge		
Maximum Rate .....	\$0.582 per dk .....	\$0.717 per dk
Minimum Rate .....	\$0.050 per dk .....	\$0.050 per dk
Cost of Gas Eff. 7-1-24.....	\$2.484 per dk .....	\$2.484 per dk
Tax Tracking Adjustment .....	22.6700% .....	18.4388%

**Other Rates Available:**

Optional Seasonal General Gas Service – Rate 72,  
Firm General Contracted Demand Service – Rate  
74, Transportation Service – Rates 81 and 82.

A hearing will be held on the Company's request at a time and location to be determined by the Commission. For more information, please contact the Montana Public Service Commission at (800) 646-6150. The Montana Consumer Counsel is also available to represent consumer interests regarding the Company's request at (406) 444-2771.

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](http://www.montana-dakota.com/rates-and-services/rate-cases), the Commission's web site at <http://psc.mt.gov/> or by contacting a customer service representative at 1-800-638-3278.