

**Payment:**

Bills will be considered past due if not paid by the due date shown on the bill. An amount equal to 1% per month will be applied to any unpaid balance existing at the immediate subsequent billing date.

**NSF/Returned Check Charge:**

A charge of \$15.00 will be collected by the Company for each check charged back to the Company by a bank.

**Seasonal Reconnection Charge:**

A residential customer who requests the reconnection of service at the same location the customer discontinued the same service during the preceding 12-month period will be charged the Basic Service charge applicable during the period service was not being used and a \$30.00 reconnection fee during normal business hours. Standard overtime rates will be applied for reconnecting service after normal business hours.

Further information, applicable rates, rules and regulations are available at [www.montana-dakota.com](http://www.montana-dakota.com) or by calling 1-800-638-3278.



# Natural Gas Distribution Rate Increase

On November 1, 2023, Montana Dakota Utilities Co. (Montana-Dakota) filed an application with the North Dakota Public Service Commission (Commission) to increase the Company's natural gas rates. At that time, Montana-Dakota proposed an increase of approximately \$11.6 million annually or 7.45 percent over current rates. 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.

On November 7, 2024, the Commission approved a Settlement Agreement between Montana-Dakota, the Advocacy Staff of the Commission, the Federal Executive Agency, and the AARP, authorizing an overall increase in distribution revenues of \$9.4 million or 6.05 percent over current rates, with natural gas rates reflecting the authorized increase effective with service rendered on and after December 1, 2024.

The actual impact to customers' bills as a result of this rate increase will vary depending on the customer's rate class and amount of natural gas used. A residential customer using 88 dk on an annual basis will see an average increase of approximately \$3.85 per month; however, on January 1, 2024, Montana-Dakota implemented interim rates whereby that residential customer's bill increased by \$5.23 per month. Therefore, when final rates are implemented, that residential customer will experience a decrease of \$1.38 per month from the interim rates the customer is paying today.

As provided for in the North Dakota Century Code and as previously mentioned herein and noticed in customers' January 2024 bills, Montana-Dakota implemented an interim rate effective January 1, 2024 as a percentage of bill based on the total revenues collected, excluding the Cost of Gas and Distribution Delivery Stabilization Mechanism (DDSM). As the final revenue increase authorized is less than the interim increase implemented January 1, 2024, Montana-Dakota will refund the difference with interest to customers upon the Commission approving the Company's proposed refund plan. More information will be provided at the time the refund is applied to customers' accounts.

The rates for various classes of service are shown below. The Cost of Gas is strictly a pass-through cost to customers and is subject to change on a monthly basis as outlined in the Company's tariff. The Cost of Gas included below reflects the rates effective December 1, 2024.

	<u>Current Rates</u>	<u>Rate Effective December 1, 2024</u>
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**Residential Service – Rate 60**

–Basic Service Charge.....	\$0.8244 per day	\$0.8244 per day
–Distribution Delivery Charge.....	\$0.0000 per dk	\$0.525 per dk
–Cost of Gas .....	\$4.103 per dk	\$4.103 per dk

**Firm General Service – Rate 70**

–Under 500 cubic ft per hour		
Basic Service Charge .....	\$0.75 per day	\$0.88 per day
Distribution Delivery Charge .....	\$1.174 per dk	\$1.384 per dk
Cost of Gas .....	\$4.103 per dk	\$4.103 per dk
–Over 500 cubic ft per hour		
Basic Service Charge .....	\$2.13 per day	\$2.35 per day
Distribution Delivery Charge .....	\$0.917 per dk	\$1.409 per dk
Cost of Gas .....	\$4.103 per dk	\$4.103 per dk

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

–Basic Service Charge.....	\$450.00 per mo.	\$450.00 per mo.
–Distribution Delivery Charge		
Maximum Rate .....	\$0.566 per dk	\$0.699 per dk
Minimum Rate .....	\$0.102 per dk	\$0.102 per dk
–Cost of Gas .....	\$2.227 per dk	\$2.227 per dk

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

–Basic Service Charge.....	\$1,600.00 per mo.	\$1,800.00 per mo.
–Distribution Delivery Charge		
Maximum Rate .....	\$0.237 per dk	\$0.237 per dk
Minimum Rate .....	\$0.061 per dk	\$0.061 per dk
–Cost of Gas .....	\$2.227 per dk	\$2.227 per dk

**Other Rates Available:**

Optional Seasonal General Gas Service Rate 72, Firm General Contracted Demand Service Rate 74, Transportation Service Rates 81 and 82, Residential Propane Service Rate 90, and Firm General Propane Service Rate 92. Rates 90 and 92 applicable in community of Hettinger, North Dakota only.

**Change in Residential Rate Structure:**

Residential customers will also see a new rate structure with the December 1 change in rates. Starting with service rendered on and after December 1, residential customers will start seeing a new line on their gas bill with the introduction of a volumetric charge referred to as the Distribution Delivery Charge. The increase to the residential class is being administered solely through this new charge. The dollars billed under this new rate component will vary each month, dependent on the amount of natural gas a residential customer uses each month.

Additionally, residential customers may see a DDSM component on their gas bill for use billed during the months of November through April each year. DDSM is a weather normalization adjustment that either increases or decreases a customer's bill each month, dependent on the actual weather as compared to normal weather for a customer's billing period and the customer's actual use.

**Prorated Bill:**

The first bill you receive may be prorated, depending on the date your meter was read. Bills are prorated to reflect the rates in effect at the time service was rendered, rather than when your bill is processed. This means that any natural gas used prior to December 1, 2024 will be billed at the old rate and any natural gas used on and after December 1, 2024 will be billed at the new rates.