



NEWS RELEASE
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Public Service Commission Approves Electric Rate Increase for MDU

BISMARCK, ND – The North Dakota Public Service Commission (PSC) has approved an approximately \$7.5 million (3.7%) annual revenue increase for Montana Dakota Utilities Co. MDU requested the increase to recover costs of increased investments in electric generation, transmission and distribution systems.

The company had originally asked for an increase of \$13.4 million (6.6%), and the Commission approved an interim rate of \$11.7 million (5.8%) in November. The increase approved translates to approximately \$4.50 per month increase for the average residential customer.

The agreement approved today includes a smaller increase than the interim rate, so customers will see a credit for the overcharge on their next bill. However, most of the credit will be absorbed by an increase in three rate riders that cover expenses associated with specific generation, transmission and renewable projects. The net change for average residential customers will be an increase of about 14 cents per month over their current rates.

“Through an eight-month process the company’s request was thoroughly vetted. We examined their expenses, depreciation schedules, employee compensation packages and all of the major contributors to the rate increase request and settled on an increase almost half of what was originally asked,” Commissioner Julie Fedorchak said. “This balanced approach should position MDU to continue to provide the reliable electric service customers expect and demand at some of the lowest rates in the nation.”

The Basic Service Charge (fixed monthly charge) customers see on their bill will increase by \$0.11 to \$0.46 per day.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, grain elevators, auctioneers, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or www.psc.nd.gov.

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