

**Montana-Dakota Utilities Co.
 Menard Extension - McKenzie
 Rate Comparison**

<u>Montana-Dakota Rate 30 Secondary</u>		<u>Capital Electric</u>		<u>Annual Difference</u>
Basic Service Charge	\$45.00	Base Rate	\$57.00	
Summer Demand Charge \$/kW	\$11.250	Energy Charge 1st 10,000	\$0.0615	
Winter Demand Charge \$/kW	\$8.250	Energy Charge Over 10,000	\$0.0535	
Energy Charge \$/kwh	\$0.05389	Demand Charge > 10 Kw	\$14.00	
Base Rate	\$270.00	Base Rate	\$342.00	
Demand Cost - Summer	13,500.00	Demand Cost - Summer	15,960.00	
Demand Cost - Winter	9,900.00	Demand Cost - Winter	15,960.00	
Energy Cost	31,435.82	Energy Cost	31,688.32	
Total Annual Cost	<u>\$513,669.84</u>	Total Annual Cost	<u>\$575,883.84</u>	<u>(\$62,214.00)</u>
				-11%

Monthly Kwh	583,333
Peak Demand	1,200

29

PU-13-871
 Exhibit MDU-10

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Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc.

**Montana-Dakota Utilities Co.
 Menard Extension - McKenzie
 Net Contribution to Costs - Secondary Service**

Cost to Extend Service & Site Facilities 1/	\$98,658	
Authorized Rate of Return	<u>8.736%</u>	
Required Return	\$8,619	
Revenue Required for 8.76% ROR 2/		\$14,272
Estimated Revenues 3/	\$513,670	
Cost of Fuel & Purchased Power @ \$.02702	<u>189,140</u>	
Estimated Net Revenues		324,530
Net Contribution to Costs		<u><u>\$310,258</u></u>

1/ Cost to extend to Menard and cost within Menard's facility. MDU Exhibit 5 & 6

2/ Income grossed up for tax effect.

3/ Based on General Service Rate 30 - Secondary Service

Monthly Kwh	583,333
Peak Demand	1,200

Montana-Dakota Utilities Co.
 Menard Extension - McKenzie
 Net Contribution to Costs - Secondary Service
 Including Substation Upgrades

Total Investment Including Substation Upgrade 1/	\$192,671	
Authorized Rate of Return	8.736%	
Required Return	<u>\$16,832</u>	
Revenue Required for 8.76% ROR 2/		\$27,872
Estimated Revenues 3/	\$513,670	
Cost of Fuel & Purchased Power @ \$.02702	<u>189,140</u>	
Estimated Net Revenues		324,530
Net Contribution to Costs		<u><u>\$296,658</u></u>

1/ Cost to extend Exhibit MDU-10, page 2 plus cost to upgrade substation & convert town Exhibit MDU-7.
 2/ Income grossed up for tax effect.
 3/ Based on General Service Rate 30 - Secondary Service

**Montana-Dakota Utilities Co.
 Menard Extension - McKenzie
 Rate Comparison - At Primary Service**

<u>Montana-Dakota Rate 30 Primary</u>		<u>Capital Electric Primary</u>		<u>Annual Difference</u>
Basic Service Charge	\$95.00	Base Rate	\$57.00	
Summer Demand Charge \$/kW	\$9.250	Energy Charge 1st 10,000	\$0.0615	
Winter Demand Charge \$/kW	\$6.250	Energy Charge Over 10,000	\$0.0535	
Energy Charge \$/kwh	\$0.05194	Demand Charge > 10 Kw	\$14.00	
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Base Rate	\$95.00	Base Rate	\$55.86	
Demand Cost - Summer	11,100.00	Demand Cost - Summer	16,326.80	
Demand Cost - Winter	7,500.00	Demand Cost - Winter	16,326.80	
Energy Cost	30,298.32	Energy Cost	30,662.55	
Total Annual Cost	<u>\$469,119.84</u>	Total Annual Cost 1/	<u>\$564,542.52</u>	<u>(\$95,422.68)</u>
				-17%

1/ Billed amounts reduced by 2% based on CEC Data Response No. 8

Monthly Kwh	583,333
Peak Demand	1,200

Montana-Dakota Utilities Co.
Menard Extension - McKenzie
Net Contribution to Costs - Primary Service

Cost to Extend Service 1/	\$32,619	
Authorized Rate of Return	8.736%	
Required Return	<u>\$2,850</u>	
Revenue Required for 8.76% ROR 2/		\$4,719
Estimated Revenues 3/	\$469,120	
Cost of Fuel & Purchased Power @ \$.02587	<u>181,090</u>	
Estimated Net Revenues		288,030
Net Contribution to Costs		<u><u>\$283,311</u></u>

- 1/ Cost to extend to Menard. MDU Exhibit 5.
2/ Income grossed up for tax effect.
3/ Based on General Service Rate 30 - Primary Service

**Montana-Dakota Utilities Co.
 Menard Extension - McKenzie
 Net Contribution to Costs - Primary Service
 Including Substation Upgrades**

Total Investment Including Substation Upgrade 1/	\$126,632	
Authorized Rate of Return	8.736%	
Required Return	<u>\$11,063</u>	
Revenue Required for 8.76% ROR 2/		\$18,319
Estimated Revenues 3/	\$469,120	
Cost of Fuel & Purchased Power @ \$.02587	<u>181,090</u>	
Estimated Net Revenues		288,030
Net Contribution to Costs		<u><u>\$269,711</u></u>

1/ Cost to extend Exhibit MDU-10, page 5 plus cost to upgrade substation & convert town Exhibit MDU-7.

2/ Income grossed up for tax effect.

3/ Based on General Service Rate 30 - Primary Service