

Memo

To: Darrell Nitschke, Executive Secretary
From: Victor Schock 
Date: March 8, 2018
Re: Montana-Dakota Utilities, Interim Natural Gas Service Rate Increase (PU-17-295)

Montana-Dakota Utilities (MDU) filed for an electric rate increase on July 21, 2017. The Company used a 2018 projected test year to calculate its interim rate relief request of \$4.6 million in increased revenue collections for an overall increase in revenue collections of 12.486% or an average increase per month for residential customers of \$2.44.

On February 14, 2018 MDU filed a request to update its interim increase rate as a result of the Tax Cuts and Jobs Act of 2017. The change requested reduced the interim rate relief request to \$2.7 million in increased revenue collections for an overall increase in revenue collections of 7.357% or an average increase per month for residential customers of \$1.44. On February 27, 2018 the commission approved the updated interim rate increase request.

OTP filed compliance tariffs on February 28, 2018.

Staff has reviewed the compliance tariffs and finds them to be in compliance with the laws and rules governing interim rate increases as well as the Commission's February 27, 2018 Order on Interim Rates.