

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Montana-Dakota Utilities Co., a Division of MDU
Resources Group, Inc.
Generation Resource Cost Recovery
Tariff and Rates**

Case No. PU-17-469

**Montana-Dakota Utilities Co., a Division of MDU
Resources Group, Inc.
Renewable Resource Cost Adjustment
Tariff and Rates**

Case No. PU-18-82

NOTICE OF OPPORTUNITY FOR HEARING

March 14, 2018

On November 27, 2017, in Case No. PU-17-469, Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (MDU) filed a change to the tariff language and an annual rate update to its Generation Resource Cost Recovery Rider (GRRR). The rate change includes updated expenses and a true-up amount related to MDU's Lewis & Clark RICE units. The proposed tariff change would make lighting class customers subject to the GRRR rate as was agreed to in the most recent rate case PU-16-666.

On December 20, 2017, the Commission issued a Notice of Opportunity for Hearing that provided until February 3, 2018 for receiving written comments and Hearing requests. No response was received.

On February 23, 2018, MDU filed an update to reduce its GRRR in accordance with the federal Tax Cuts and Jobs Act of 2017:

<u>Customer Class</u>	<u>Existing Rate</u>	<u>Proposed Rate</u>	<u>Change</u>
Residential & Small General	\$0.00284/kWh	\$0.00251	(\$0.00033) /kWh
Large General	\$0.82212/kW	\$0.72702	(\$0.09510) /KW
Space Heating	\$0.44987/kW	\$0.40665	(\$0.04322) /KW
Lighting	\$0.00110/kWh	\$0.00097	(\$0.00013) /kWh

The effect on a typical bill for a residential customer without electric space heating using 894 kWh per month would be a decrease of \$0.30 per month.

Also on February 23, 2018, in Case No. PU-18-82, MDU filed an update to its Renewable Resource Cost Adjustment Rate 55. The update includes adjustments

related to the federal Tax Cuts and Jobs Act of 2017 and updated expenses with a true-up amount related to the Thunder Spirit, Cedar Hills, and Diamond Willow Wind Projects:

<u>Customer Class</u>	<u>Existing Rate</u>	<u>Proposed Rate</u>	<u>Change</u>
Residential & Small General	\$0.00642/kWh	\$0.00607	(\$0.00035) /kWh
Large General	\$0.00620/kWh	\$0.00586	(\$0.09510) /kWh
Lighting	\$0.00557/kWh	\$0.00526	(\$0.00031) /kWh

The effect on a typical bill for a residential customer without electric space heating using 894 kWh per month would be a decrease of \$0.31 per month.

The issues to be considered in in Case Nos. PU-14-469 and PU-18-82 are:

1. Are the proposed tariff additions and changes reasonable?
2. Are MDU's proposed rate schedules designed in such a manner that they result in a basis of charge to its customers that is just and reasonable without undue discrimination?


Those interested are invited to comment on the application in writing. Persons desiring a hearing must file a written request identifying their interest in the proceeding and the reasons for requesting a hearing. **Comments and requests for hearing must be received by April 6, 2018.** If deemed appropriate, the Commission can determine the matter without a hearing.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify the Commission 24 hours in advance.

PUBLIC SERVICE COMMISSION



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