


# Memorandum

To: Commissioners, Randy Christmann, Julie Fedorchak, and Brian Kroshus

From: Victor Schock - Public Utility Analyst (Advocacy Staff in this proceeding) 

Date: March 23, 2018

Re: Montana-Dakota Utilities, Renewable Resource Cost Adjustment, Tariff and Rates

Case No. PU-18-82

On February 23, 2018, Montana-Dakota Utilities (MDU) filed an application to update its Renewable Resource Cost Adjustment (RRCA) Rates.

The RRCA provides a mechanism for MDU to account for and recover the revenue and expenses for its Thunder Spirit, Cedar Hills and Diamond Willow wind farms.

MDU has proposed decreasing the RRCA as follows:

	Current	Proposed	Change
Residential/Small			
General Rate/Kwh	\$0.00642	\$0.00607	(\$0.00035)
Large General/Kwh	\$0.00620	\$0.00586	(\$0.00034)
Lighting/Kwh	\$0.00557	\$0.00526	(\$0.00031)

The result of the proposed change in the RRCA for the average residential customer using 894 Kwh would be a decrease of \$0.31 per month.

Advocacy Staff has reviewed the filing and the underlying assumptions and calculations. We believe that the assumptions and calculations are appropriate and result in a basis of charge that is just and reasonable without undue discrimination.

C: Tamie Aberle, MDU