



UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

April 16, 2018

Executive Secretary
North Dakota Public Service Commission
State Capitol Building
Bismarck, ND 58505-0480

Re: Renewable Resource Cost Adjustment
and Generation Resource Cost
Recovery Tariff and Rates
Case Nos. PU-17-469 & PU-18-82

Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., herewith submits the following electric tariffs sheets in compliance with the Commission's Order issued on April 11, 2018 in the above referenced cases. The attached tariff sheets reflect the approved Renewable Resource Cost Adjustment and Generation Resource Recovery Rider, effective with service rendered on and after April 17, 2018.

- 2nd Revised Sheet No. 39
- 3rd Revised Sheet No. 40
- 4th Revised Sheet No. 40.1

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tamie A. Aberle', is written over a light blue horizontal line.

Tamie A. Aberle
Director of Regulatory Affairs

Attachments

- 15 PU-18-82 Filed 04/16/2018 Pages: 4
Revisions to ND PSC Electric Rate Schedule Tariff Volume 4
Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc.
Tamie Aberle
- 25 PU-17-469 Filed 04/16/2018 Pages: 4
Revisions to ND PSC Electric Rate Schedule Tariff Volume 4
Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc.
Tamie Aberle



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4
2nd Revised Sheet No. 39
Canceling 1st Revised Sheet No. 39

Renewable Resource Cost Adjustment Rate 55

Page 1 of 1

1. Applicability:

This rate schedule represents a Renewable Resource Cost Adjustment (RRCA) and specifies the procedure to be utilized to recover the jurisdictional costs associated with renewable generation resource modifications or additions approved by the Commission, but not recovered through retail rates. Costs to be recovered may include operation and maintenance expenditures, depreciation, taxes, and a current return on the project costs.

2. Renewable Resource Cost Adjustment:

- a. An adjustment per Kwh will be calculated using the projected capital costs and related expenses, along with the forecasted Kwh sales, to determine a North Dakota jurisdictional revenue requirement to be recovered through the RRCA rates. The return component of the revenue requirement calculation will include the return on equity established in the Company's most recent rate case.
- b. The RRCA is applicable to all retail customers for electric energy sold, except those served under special contracts, and are allocated amongst the rate classes based on the Company's Demand/Energy Factor No. 3 established in the Company's most recent general rate case.
- c. The RRCA will be adjusted annually (or other period authorized by the Commission) to reflect the Company's most recent projected capital costs and related expenses for projects determined to be recoverable under this schedule.
- d. A true-up will reflect any over or under collection of revenue under the RRCA based on actual expenditures from the preceding twelve month recovery period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

3. Renewable Resource Cost Adjustment:

Residential & Small General	0.607¢ per Kwh
Large General	0.586¢ per Kwh
Lighting	0.526¢ per Kwh

Date Filed: February 23, 2018	Effective Date: Service rendered on and after April 17, 2018
Issued By: Tamie A. Aberle Director – Regulatory Affairs	Case No.: PU-18-82



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of North Dakota Electric Rate Schedule

NDPSC Volume 4
3rd Revised Sheet No. 40
Canceling 2nd Revised Sheet No. 40

Generation Resource Recovery Rider Rate 56

Page 1 of 2

Applicability:

This rate schedule represents a Generation Resource Recovery Rider (GRRR) and specifies the procedure to be utilized to recover the jurisdictional costs associated with generation resource additions approved by the Commission but not recovered through retail rates. Costs to be recovered may include operations and maintenance expenditures, depreciation, taxes, and a current return on the project costs during construction. Costs being recovered under this tariff are currently not included in the rates established at the time of the Company's last general rate case.

1. Generation Resource Recovery Rider:

- a. The North Dakota jurisdictional GRRR revenue requirement will be allocated to the customer classes based on the Company's Demand Factor No. 2 established in the Company's most recent general rate case. The adjustment applied to the Residential, Small General Service and Lighting Classes will be calculated based on the customer class revenue requirement and the forecasted Kwh for the forecasted period. The adjustment applied to the Large General Service Class will be calculated based on the customer class revenue requirement and the forecasted demand for the forecasted period and expressed as a KW charge. The return component of the revenue requirement calculation will include the authorized return on equity specified in Case No. PU-16-666.
- b. The GRRR is applicable to all retail customers for electric energy sold, except those served under special contracts, and are allocated amongst the rate classes based on the applicable demand factor.
- c. The GRRR will be adjusted annually (or other period authorized by the Commission) to reflect the Company's most recent projected capital costs and related expenses for projects determined to be recoverable under this schedule.
- d. A true-up will reflect any over or under collection of revenue under the GRRR based on actual expenditures from the preceding twelve month recovery period plus carrying charges or credits accrued at a rate equal to the three-month Treasury Bill rate as published monthly by the Federal Reserve Board.

Date Filed: November 27, 2017

Effective Date: Service rendered on and after April 17, 2018

Issued By: Tamie A. Aberle
Director – Regulatory Affairs

Case No.: PU-17-469



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

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State of North Dakota Electric Rate Schedule

NDPSC Volume 4
4th Revised Sheet No. 40.1
Canceling 3rd Revised Sheet No. 40.1

Generation Resource Recovery Rider Rate 56

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2. Generation Resource Recovery Rider:

Residential & Small General	0.251¢ per Kwh
Large General	72.702¢ per KW
General Space Heating Rate 32	40.665¢ per KW
Lighting	0.097¢ per Kwh

Date Filed: February 23, 2018

Effective Date: Service rendered on and
after April 17, 2018

Issued By: Tamie A. Aberle
Director – Regulatory Affairs

Case No.: PU-17-469