

# Memorandum

To: Commissioners Christmann, Fedorchak and Kroshus

From: Victor Schock Advocacy Staff

VS

Date: November 19, 2019

Re: Montana-Dakota Utilities, Electric Service Agreement – American Colloid Co.,  
Approval, Case No. PU-18-433

On December 28, 2018 Montana-Dakota Utilities Co. (MDU) filed an electric service agreement between MDU and American Colloid Company (ACC) for commission approval.

On October 22, 2019 the Commission held an informal hearing for the case. During the hearing, Advocacy Staff (Staff) voiced opposition to the agreement. The reason for opposing the agreement was due to the proposed 7 year transition from the current 51% discount to the normally applicable Interruptible Large Power Demand Response Rate 38.

On November 15, 2019 MDU filed an amended service agreement between MDU and ACC. The agreement lays out a three year transition to rate 38.

As stated during the hearing, Staff would have preferred a 2 year transition, but a 3 year is acceptable.

Staff recommends the agreement filed on November 15, 2019 be approved, and the commission require a cost of service study specific to ACC be completed for the next rate case if ACC has not been moved to Rate 38 by that time.

c. Tamie Aberle