

MONTANA-DAKOTA UTILITIES CO.

Informal Hearing

Case No. PU-19-332

ND State Capitol Contract Agreement

NORTH DAKOTA PUBLIC SERVICE COMMISSION

October 22, 2019



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Capitol Contract Agreement

- Montana-Dakota submitted an Electric Service Agreement with the ND State Capitol Building on October 1, 2019.
- Original Electric Service Agreement signed February 10, 1998 and provide a 10% net bill discount to Rate 30
 - Electric Service Agreement amended May 8, 2007 which extended the term for 10 years
- Interruptible Electric Service Agreement also signed May 8, 2007 to provide capacity credit for generation.
 - Amendment No. 2 was effective November 1, 2011 where the capacity credit was increased to \$3.00 per KW as a result of the Company's 2010 rate case.

ND State Capitol Electric Service

- North Dakota State Capital is unique in that all service provided through dedicated distribution substation.
- North Dakota State Capital has approximately 2.5 MW of excess generation capacity.
- In 2018 Montana-Dakota delivered 12,211,200 kWh with an average monthly demand of approximately 2.2 MW.
- Served at a rate less than otherwise applicable Rate 38
 - Demand Response Resource
 - Distribution system benefits of generation capabilities
 - Current Rate provides an offset to fixed costs

Capitol Contract Agreement

- **Contract Agreement Terms:**
 - Capitol would take electric service under Company's Interruptible Large Power Demand Response Rate 38
 - At tariffed rates with \$100.00 Basic Service Charge
 - Company would continue to purchase the installed generating capacity of the Capitol's generator for a monthly billing credit of \$3.00 per KW of accredited capacity.
 - Company would continue to purchase excess generation during a Capitol service interruption.
 - The first 50 hours per calendar year would be purchased at the Company's current avoided cost rate (Rate 95 Energy Payment).
 - Over 50 hours per calendar year would be purchased at a rate of 21¢ per Kwh.



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