

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Montana-Dakota Utilities Co.
Generation Resource Cost Recovery
Rates**

Case No. PU-20-436

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

**STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH**

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **7th day of January 2021**, she deposited in the United States Mail, at Bismarck, North Dakota, **two** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

- **Order**

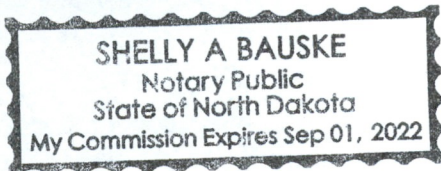
The envelopes were addressed as follows:

Travis Jacobson
Director of Regulatory Affairs
Montana-Dakota Utilities Co.
400 N 4th Street
Bismarck, ND 58501
Cert. No. 7020 1290 0001 6150 6015

Karl Liepitz
Assistant General Counsel
MDU Resources Group, Inc.
PO Box 5650
Bismarck, ND 58506-5650
Cert. No. 7020 1290 0001 6150 6022

The addresses shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **7th day of January 2021**.



SEAL

A handwritten signature in blue ink that reads "Geralyn R. Schmaltz".

A handwritten signature in blue ink that reads "Shelly A Bauske".

Notary Public

**STATE OF NORTH DAKOTA
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ORDER

January 6, 2021

Preliminary Statement

On October 30, 2020, Montana-Dakota Utilities Co. (MDU) filed changes to rates under its Generation Resource Recovery Rate 56 Tariff (GRRR Tariff) for electric service rendered on or after February 1, 2021.

On November 18, 2020, the Commission issued a Notice of Opportunity for Hearing that provided until January 2, 2021 for receiving written comments and hearing requests. No response was received. The notice identified the issues to be considered in this proceeding are:

1. Whether the investments and associated costs for the resources qualify for recovery,
2. Whether the incurred costs are reasonable and prudent, and
3. Whether the rate adjustments are consistent with the terms of MDU's tariff.

Discussion

Under its GRRR Tariff, MDU recovers costs associated with generation resource additions approved by the Commission but not currently recovered in the retail rates established at the time of MDU's last electric rate case.

The rates filed by MDU on October 30, 2020, reflect projected costs through December 31, 2021, related to MDU's Lewis & Clark reciprocating internal combustion engine units. The updated rates also reflect a projected under-recovered balance of the GRRR as of December 31, 2020.

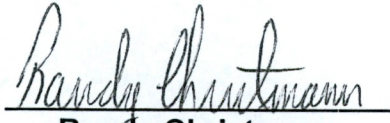
MDU states the effect of the updated rate on a typical bill for a residential customer using 894 kWh per month would be an increase of \$0.04 per month. The investments and associated costs for the Lewis & Clark reciprocating internal combustion engines qualify for recovery.

The incurred costs are reasonable and prudent. The proposed rates comply with MDU's GRRR Tariff and are just and reasonable.

Order

The Commission orders Montana-Dakota Utility Co.'s 2021 Generation Resource Recovery rates filed on October 30, 2020, are APPROVED for electric service rendered on or after February 1, 2021.

PUBLIC SERVICE COMMISSION



Randy Christmann
Commissioner



Julie Fedorchak
Chair



Brian Kroshus
Commissioner