



A Subsidiary of MDU Resources Group, Inc.

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March 22, 2024

Executive Secretary
North Dakota Public Service Commission
600 E Boulevard Ave, Dept 408
Bismarck, ND 58505-0480

**RE: Fuel and Purchased Power Adjustment
Informal Hearing Supplemental Letter – Case No. PU-24-010
April 2024**

Montana-Dakota Utilities Co. (Montana-Dakota) herewith electronically submits this supplemental letter for the Fuel and Purchased Power (F&PP) adjustment to the North Dakota Public Service Commission (Commission) as requested in the Informal Hearing held on March 22, 2024.

The subject matter in the Informal Hearing was to address the Company's request for the language in Section 4 Surcharge Adjustment be waived to allow for recovery over twenty-four months rather than twelve months as stated in the March 15, 2024 annual filing.

The F&PP adjustment includes two components which are, the cost of fuel and purchased power and the surcharge adjustment. Absent any waivers in effect, the cost of fuel and purchased power component in the F&PP adjustment is filed with the Commission each month. The Surcharge Adjustment component is updated annually every April in the annual filing. The annual F&PP adjustment filing submitted by Montana-Dakota on March 15, 2024 includes an update to both of the components in the F&PP adjustment.

Montana-Dakota has not filed a monthly F&PP adjustment since October 2023 because the Commission approved the Company's request for a monthly filing requirement waiver until March 31, 2024.

The table below shows the currently effective rates for the cost of fuel and purchased power and the surcharge adjustment for a residential customer compared to the proposed costs, based on an average usage of 800 kWh per month. The proposed rates in the table for cost of fuel and purchased power is the average of the cost of fuel and purchased power for the most recent four-month period. The proposed rate for the surcharge adjustment reflects the amortization of the applicable balance in the deferred fuel cost account calculated by dividing the applicable balance by the estimated kWh sales based on a twenty-four-month recovery.

A typical residential customer using 800 kWh would see an increase of \$13.19 per month, or 13.01 percent.

Fuel and Purchased Power Adjustment Components	Current	Proposed	Change	Avg kWh	Additional Monthly Cost per kWh
Cost of Fuel and Purchased Power	\$0.03098	\$0.03822	\$0.00724	800	\$5.79
Surcharge Adjustment	(0.00212)	0.00713	0.00925	800	7.40
Fuel and Purchased Power Adjustment Total	\$0.02886	\$0.04535	\$0.01649		\$13.19

Residential Customer Bill Impacts	Current	Proposed	Change	Percent Change
Total Fuel and Purchased Power Adjustment 1/	\$23.09	\$36.28	\$13.19	
Total Bill 2/	101.37	114.56	13.19	13.01%

1/ Cost of Fuel and Purchased Power is updated monthly.

2/ Includes Basic Service Charge, Energy, Riders and Fuel and Purchased Power Adjustment.

If you have any questions regarding this filing, please contact me at (701) 222-7855 or Travis.Jacobson@mdu.com.

Sincerely,

/s/ Travis R. Jacobson

Travis R. Jacobson
Director of Regulatory Affairs