

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.
Renewable Resource Cost Recovery
Rates

Case No. PU-24-366

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 **23rd day of January 2025**, 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 North 4th Street
Bismarck, ND 58501

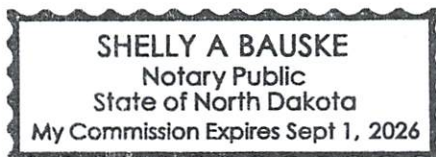
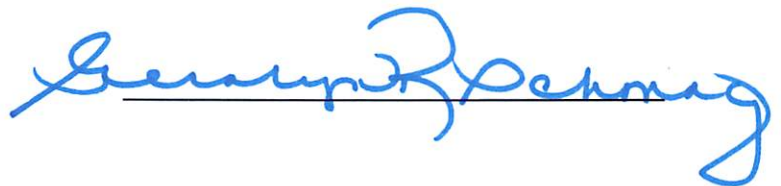
Cert. No. 9589 0710 5270 2139 4602 26

Allison Waldon
Senior Attorney
MDU Resources Group, Inc.
PO Box 5650
Bismarck, ND 58506-5650

Cert. No. 9589 0710 5270 2139 4602 33

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

Subscribed and sworn to before me
this **23rd day of January 2025**.




Notary Public

SEAL

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

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

Case No. PU-24-366

ORDER

January 22, 2025

Preliminary Statement

On November 1, 2024, Montana-Dakota Utilities Co. (MDU) filed changes to the rates under its Renewable Resource Cost Adjustment Rate 55 Tariff (RRCA) for electric service rendered on or after January 1, 2025.

On November 20, 2024, the Commission issued a Notice of Opportunity for Hearing, which provided until January 1, 2025, for receiving written comments and requests for a hearing.

The Notice identified the issues being considered in this proceeding are:

1. Whether the investment 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?

The Notice provided that, if deemed appropriate, the Commission can determine the matter without a hearing. No comments or requests were received.

Discussion

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

The updated RRCA rates reflect projected costs related to MDU's investment in the Cedar Hills, Diamond Willow, and Thunder Spirit wind projects and subsequent repowering. The updated rates also reflect a projected over-recovered RRCA revenue balance as of December 31, 2024. The updated rates reflect a levelization of the Production Tax Credits associated with the wind projects.

The updated RRCA rates by customer class are as follows:

<u>Customer Class</u>	<u>Proposed Rate</u>	<u>Current Rate</u>	<u>Change</u>
Residential & Small General Rate/kWh	\$0.00890	\$0.01033	(\$0.00143)
Large General/kWh	\$0.00832	\$0.00979	(\$0.00147)
Lighting/kWh	\$0.00832	\$0.00954	(\$0.00122)

The monthly billing impact of the updated RRCA rate on the bill of a residential customer using 800 kWh per month is a decrease of \$1.14 per month.

The investments and associated costs qualify for recovery and are reasonable and prudent.

The proposed rates comply with the RRCA Tariff and are just and reasonable.

Order

The Commission Orders Montana-Dakota Utilities Co.'s 2025 Renewable Resource Cost Adjustment rates filed on November 1, 2024, are approved for electric service rendered on or after February 1, 2025.

PUBLIC SERVICE COMMISSION



Sheri Haugen-Hoffart
Commissioner



Randy Christmann
Chair



Jill Kringstad
Commissioner