



UTILITIES CO.

*A Subsidiary of MDU Resources Group, Inc.*

400 North Fourth Street  
Bismarck, ND 58501  
701-222-7900  
[www.montana-dakota.com](http://www.montana-dakota.com)

September 2, 2025

Executive Secretary  
North Dakota Public Service Commission  
State Capitol Building  
Bismarck, ND 58505-0480

**Re: Investigation into Home Protection Plans  
Case No. PU-25-148**

Montana-Dakota Utilities Co. (Montana-Dakota) herewith submits its written comments in response to the North Dakota Public Service Commission's (Commission) July 2, 2025 Order Requesting Comment on Home Protection Plans (Order). In the Order, each public utility was asked to provide the following information:

- a. An explanation of the full extent of the business arrangement with HomeServe or other organization of a similar nature;
- b. The utilization of utility branding pertaining to HomeServe or others relating to the solicitation process;
- c. Any other information that the Commission should consider.

### **Introduction**

It is important to provide a brief background on Montana-Dakota's relationship with home protection plans before responding to each of the Commission's requested items.

For several years Montana-Dakota owned and operated a non-regulated service contract business called Preferred Service (PS). Montana-Dakota residential and commercial customers in its North Dakota, South Dakota, Montana, and Wyoming service territory had the option to enroll in the PS program. The PS program provided service and repair coverage for heating, water heating, and other appliances. Covered service work was performed by Montana-Dakota employees, and participating customers were billed monthly on their utility bill for such coverage. Montana-Dakota received positive feedback from participating PS customers and, in many cases, customers asked for additional products and services to be covered through PS.

Great Plains Natural Gas Co. (Great Plains) had a substantially similar program, called the Great Plains Advantage Plan. This program was available to Great Plains' customers, including its customers located in Wahpeton, North Dakota.

In early 2012, Montana-Dakota made the decision to exit the home protection plan business to focus on the Company's core business of providing safe and reliable natural gas and electric service.

### **Business Arrangement with HomeServe**

In November 2012, Montana-Dakota entered into an Asset Purchase and Marketing Agreement with HomeServe USA Corp., whereby HomeServe purchased Montana-Dakota's PS business. This sale closed on March 31, 2013. HomeServe assumed all contracts and obligations under the PS program. This included approximately 26,000 active residential and commercial contracts across Montana-Dakota's entire service territory.

On December 9, 2014, Great Plains entered into a separate Asset Purchase and Marketing Agreement with HomeServe for the sale of its Advantage program in Minnesota and North Dakota. This transaction closed on January 31, 2015. This sale included approximately 2,000 active residential and commercial contracts across the Great Plains' Minnesota and North Dakota service territory.

As part of the agreements with HomeServe, Montana-Dakota and Great Plains agreed to retain ongoing responsibility for the billing of all existing and future contracts from HomeServe on participating customers' utility bills. This arrangement provided continuity for existing PS customers. Montana-Dakota's initial contract with HomeServe was for a ten-year term and has since been renewed for an additional five-year term with an evergreen for additional five-year terms if not terminated. Great Plains' initial contract was also originally for a term of ten years. The Great Plains contract was subsequently renewed on the same terms as the Montana-Dakota agreement, but the two termination dates were synced. The current contracts expire March 31, 2028. Additionally, the contracts provide for a two-year post termination billing requirement where Montana-Dakota is required to continue to bill participating HomeServe customers.

Montana-Dakota's Customer Experience Agents do assist customers who call in for utility service and are interested in Protection Plans from HomeServe. Interested customers are then forwarded to a HomeServe representative who will answer any questions and/or enroll the customer in a plan from HomeServe, if requested. The Company does not provide HomeServe with a list of its customers, nor does it enroll Montana-Dakota customers in any plans from HomeServe..

For the services Montana-Dakota provides to HomeServe, the Company receives commission payments. Further details as to how these commission payments are treated have been provided in response to Data Request 1 to Case No. I-24-281. This is attached hereto as Attachment A.

Montana-Dakota's agreement with HomeServe also provides for the use of Montana-Dakota's logo in HomeServe marketing materials, as will be further discussed below.

HomeServe continues to manage the repair services for all former PS customer contracts that are still in effect, along with offering additional plans to Montana-Dakota participating customers. HomeServe uses a local network of contractors across Montana-Dakota's service territory to provide repair services for customers when service work is required on equipment covered under a plan from HomeServe.

Montana-Dakota does not have any other similar relationships with other entities.

### **Utilization of Utility Branding Relating to the Solicitation Process**

Montana-Dakota's agreement with HomeServe allows for the use of Montana-Dakota's logo on HomeServe's marketing material. It expressly allows six mailings to new (or non-current HomeServe customers) and six cross selling mailers to existing HomeServe customers on potential new protection products. Montana-Dakota's logo is on the outer envelope that customers receive in the mail. Montana-Dakota's logo is also on Montana-Dakota's introductory note to customers that is included along with HomeServe's marketing material that clearly explains the relationship between Montana-Dakota and HomeServe. While the solicitation approach and frequency of solicitation may vary from year to year, the most common approach is the use of a direct mailer to potential customers. Examples of HomeServe's marketing material are included in Attachment B. The first example is of a Home Heating and/or Cooling System Plan mailer. The second example is of a Home Water Heater Plan mailer.

Montana-Dakota also provides information about the Protection Plans from HomeServe on the Company's website - [Preferred Service by HomeServe - Montana-Dakota Utilities Company](#). The website also includes information on how a Montana-Dakota customer may opt out of future HomeServe solicitations.

### **Additional Information for Consideration**

The following additional information was provided by HomeServe.

HomeServe operates nationwide and has 4.5 million customers. It has an A+ rating from the BBB and 4.5-star rating on Google, based on 14 thousand reviews. HomeServe currently partners with over 1,350 municipalities and utilities to make home repair plans available to their residents or customers throughout North America. HomeServe launched its North Dakota business in 2013 when it purchased Montana Dakota Utilities' ("MDU") heating and water heating repair plans and took over the management and expansion of these services in partnership with MDU for their customers. It is very proud of the North Dakota business and its growth. HomeServe currently works with 26 North Dakota skilled trades contracting companies, which employ over 200 people, to complete repairs covered by our plans. HomeServe's post repair customer satisfaction score in North Dakota, over the past 12 months, is 4.88 out of 5 stars.

Additional information on HomeServe's North Dakota customers with Montana-Dakota is included in Attachment C.

In summary, Montana-Dakota believes there continues to be value-added benefits to customers through the HomeServe partnership and its network of service and repair contractors. Interested customers can choose to enroll in any number of optional protection programs from HomeServe with the convenience of charges included on their monthly Montana-Dakota bill. Participating customers like the convenience of the billing arrangement with HomeServe. Additionally, as shown in Attachment C, participating customers are also satisfied with the HomeServe partnership and the savings achieved under the protection programs as well as the knowledge of HomeServe's service and repair contractors.

Please contact me at (701) 222-7855 or at [travis.jacobson@mdu.com](mailto:travis.jacobson@mdu.com) with any questions regarding these comments.

Sincerely,

*/s/ Travis R. Jacobson*

Travis R. Jacobson  
Vice President of Regulatory Affairs

Attachments  
cc: Allison Waldon

**Public Service Commission, Investigation Into Home Protection Plans, Investigation**

**Case No. I-24-281**

**Data Request 1**

**1.1 Please provide the amount of financial compensation received from the partnership allowing HomeServe to utilize Montana-Dakota Utilities Co.'s logo and billing system.**

**Response:**

For the year 2023, Montana-Dakota received \$851,923 in commission revenue related to Montana-Dakota and Great Plains customers participating in HomeServe.

The current contract with HomeServe expires March 31, 2028 and can auto-renew for additional five year terms. Additionally, the contract provides for a two-year post termination billing requirement where Montana-Dakota would be required to continue to bill participating Montana-Dakota HomeServe customers on Montana-Dakota bills which would provide HomeServe time to arrange for an alternative billing arrangement for customers located in the Montana-Dakota service territory.

This billing arrangement with HomeServe was first established in November 2012 when Montana-Dakota made the decision to exit the service contract business. In order to provide continuity to the Company's participating customers at that time, Montana-Dakota entered into an agreement with HomeServe where HomeServe would purchase the participating customer contracts and Montana-Dakota would retain the billing of those contracts on their utility bills. The change occurred on April 1, 2013.

**Public Service Commission, Investigation Into Home Protection Plans, Investigation**

**Case No. I-24-281**

**Data Request 1**

**1.2 If financial compensation is received, is it used to reduce the revenue requirement for utility customers?**

**Response:**

The commission revenue received resulting from Montana-Dakota and Great Plains customers participating in HomeServe is recorded both above and below the line revenue. The above the line portion reduces the revenue requirements for utility customers. The above the line portion is based on the operation and maintenance costs related to HomeServe activities, such as bill print, postage, and a customer service representative's time, which are recorded in their respective regulated O&M expense accounts. This ensures, at a minimum, the Company's utility customers are made whole from the utilization of Company resources. For example, the total cost of printing and mailing is covered through the above the line HomeServe revenue when those customers would receive a bill for their electric or natural gas service regardless of their participation in HomeServe.

Please see Response No. PSC 1-2 Attachment A for the 2023 annual cost reimbursement related to HomeServe activities for Montana-Dakota and Great Plains. The amount shown of \$190,517 is recorded as miscellaneous revenue (i.e. above the line).

Response No. PSC 1-2  
Attachment A  
Page 1 of 1

**Montana-Dakota Utilities Co.  
North Dakota  
Investigation into Home Protection Plans - Case No. I-24-281  
Data Request 1  
(For the Year 2023)**

	<u>Montana - Dakota</u>	<u>Great Plains</u>	<u>Total MDU/GPNG</u>
Bill Print Cost			
Number of HomeServe Customers	29,300	2,400	31,700
% of Total	92%	8%	
Total Annual HomeServe Bills	351,600	28,800	380,400
Average Bill Print Cost per Customer	<u>\$0.16</u>	<u>\$0.16</u>	
Total Bill Print Cost - HomeServe	<u>\$56,256</u>	<u>\$4,608</u>	<u>\$60,864</u>
Total Postage Cost - MDU & GPNG			
Allocated to HomeServe 1/	\$94,192	\$7,849	\$1,569,859
Allocated to HomeServe 2/	<u>\$25,403</u>	<u>\$2,209</u>	<u>\$27,612</u>
Total Customer Service Representative Gross Pay			
Allocated to HomeServe 2/	<u>\$25,403</u>	<u>\$2,209</u>	<u>\$3,681,569</u>
Total Annual Cost Related to HomeServe Activities	<u>\$175,850</u>	<u>\$14,666</u>	<u>\$190,517</u>
1/ Number of HomeServe Customers	29,300	2,400	31,700
Total Gas & Electric Customers			487,074
% of Total Customers	6%	0.5%	6.5%
2/ Allocated to HomeServe on 0.75% of all CSR gross wages and then allocated to company based on each company's HomeServe customers as percent of the total number of HomeServe customers. 0.75% reflects the percentage of all CXT calls received (excluding emergency-related calls) that were transferred to HomeServe.			

## **Attachment B**



Protection plans  
*from HomeServe*

PRSR STD  
U.S. POSTAGE  
PAID  
MAILED FROM  
ZIP CODE 11801  
PERMIT NO. 904

Important Information Enclosed



## **A message from Montana-Dakota Utilities Co.**

Montana-Dakota Utilities Co. offers a convenient billing arrangement with HomeServe. Montana-Dakota customers who choose to purchase optional home repair solutions from HomeServe will have the monthly rate added to their utility bill.

Montana-Dakota does not provide customer data to HomeServe. Based on Montana-Dakota's service footprint, HomeServe uses mailing lists supplied by outside vendors, and the vendors obtain the names and addresses from publicly available sources. You are not required to purchase products from HomeServe to receive utility service.

If you are interested in learning more about home repair solutions from HomeServe, please call HomeServe toll-free at 1-855-849-9192. HomeServe USA Repair Management Corp. ("HomeServe") is an independent company separate from Montana-Dakota Utilities Co. and offers this optional service as an authorized representative of North American Warranty, Inc., the service contract provider.

For Residential Address:

<<MR. SAMPLE A SAMPLE>>  
<<MAIL\_ADDRESS1\_XXXXXX>>  
<<MAIL\_ADDRESS2\_XXXXXX>>  
<<MAIL\_CITY, ST ZIP>>



Date	<<XX/XX/XX>>
Response Requested by	<<Month XX, XXXX>>

Current Coverage:  
<<Product\_Name\_xxxxxxxxxxxx>>

Recommended Coverage:  
Heating System Coverage and Cooling System Coverage

## Re: Heating System Information for &lt;&lt;Serv\_Address1\_XXXXXX&gt;&gt;

&lt;&lt;Sample Sample\_XXXXXX&gt;&gt;,

Your heating system continues to age and can be affected by normal wear and tear. You are currently not enrolled in Heating System Coverage from HomeServe. Montana-Dakota Utilities Co. has partnered with HomeServe,\* an independent company that offers protection for your natural gas heating system.

Because you own this system, you are responsible for repairs in the event of a sudden breakdown.

We are writing to you to provide you with an opportunity to accept protection against the costs of covered repairs if this system breaks down. Your heating system is primarily affected by aging and normal wear and tear. **If it requires repair, it may cost you hundreds of dollars.** Add Cooling System Coverage to ensure your home is comfortable year round.

Montana-Dakota Utilities Co. Customer Benefit Review:

Homeowner: <<Sample Sample\_XXXXXX>>  
Location: <<Serv\_Address1\_XXXXXX>>  
<<Serv\_City\_XXX, Serv\_State, Serv\_ZIP>>

Benefit Amount: Up to \$2,500 annually with multiple service calls for covered heating system repairs  
Up to \$2,500 annually with multiple service calls for covered cooling system repairs  
30-day wait includes a money-back guarantee for both

Without this *optional* protection, homeowners may be at risk for expensive heating and cooling system repair costs. For just \$6.99 per month for Heating System Coverage and \$6.49 per month for Cooling System Coverage—a savings of more than 50% off each plan for the first year\*\*—eligible homeowners can take action to help prevent the unexpected burden of high repair bills.

## Signature Required For Processing.

Please respond today by signing, completing and returning the enclosed Acceptance Form to help protect your finances from the covered cost to repair your systems. Or call HomeServe at 1-855-849-9192. **For fastest processing of your coverage, visit [www.HomeComfortPlan.com](http://www.HomeComfortPlan.com) and enter Offer Code: <<MatchbackID>>.**

Sincerely,

Andrew Wright  
SVP, Customer Service  
HomeServe USA Repair Management Corp.

\*\*Savings compared to renewal price.

\*HomeServe USA Repair Management Corp. ("HomeServe"), with corporate offices located at 45 Glover Avenue, 6th Floor, Norwalk, CT 06850, is an *independent company separate from Montana-Dakota Utilities Co.* and offers this optional service plan as an authorized representative of the service contract provider, National Home Repair Warranty, Inc., 59 Maiden Lane, 43rd Floor, New York, NY 10038. Your choice of whether to purchase this service plan will not affect the price, availability or terms of utility service from Montana-Dakota Utilities Co. Montana-Dakota Utilities Co. and HomeServe entered into a commercial agreement to introduce these optional plans to Montana-Dakota Utilities Co. customers. See *eligibility requirements and coverage limitations in this package.*

## Acceptance Form

Please correct name and address information below to match your Montana-Dakota bill before submitting, if necessary.

<<Mr. Sample A. Sample, Serv\_Address1\_xxxxxx, Serv\_Address2\_xxxxxx, Serv\_City, ST Zip>>

Please send my current/future agreements and any related documents to the e-mail address below. I can access and retain documents sent to my e-mail. I understand I can request a copy of my contract, update my e-mail address, or change my communication preference anytime by going online or calling HomeServe. By providing my phone number, I consent to receive account-related phone calls and text messages.

Reply ID: Please see below for applicable Reply ID

PLEASE REPLY BY: <<x/x/xxxx>>



For fastest processing scan here and enter Offer Code: <<MatchbackID>>.

CHECK ONE BOX BELOW  
to select your plan(s)

## FIRST-YEAR SAVINGS OF MORE THAN 50% OFF

RECOMMENDED		-OR-		COLD SYSTEM COVERAGE		-OR-		COLD SYSTEM COVERAGE					
HEATING SYSTEM COVERAGE AND COLD SYSTEM COVERAGE		-OR-		COLD SYSTEM COVERAGE		-OR-		COLD SYSTEM COVERAGE					
PAYMENT SCHEDULE	MONTHLY	Reply ID: <<MC3-2509XZMD764BAxxZ-xxxx>>		Reply ID: <<MC4-2509XZMD760BAxxZ-xxx>>		Reply ID: <<MC2-2509XZMD760BAxxZ-xxxx>>		Reply ID: <<MC1-2509XZMD764BAxxZ-xxx>>					
		<input type="checkbox"/>	\$27.98	<input type="checkbox"/>	\$13.48	<input type="checkbox"/>	\$12.99	<input type="checkbox"/>	\$6.49	<input type="checkbox"/>	\$14.99	<input type="checkbox"/>	\$6.99

## 2. Sign and Complete

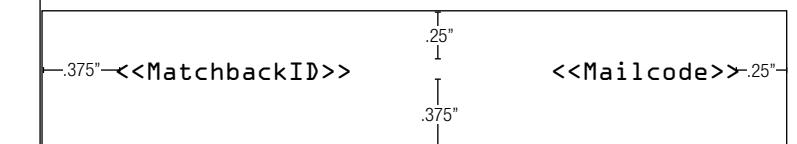
**YES**, please sign me up for the protection plan(s) from HomeServe I have selected and include the monthly charge, plus any applicable taxes, on my Montana-Dakota bill. *I understand my optional plan(s) is billed on a monthly basis and based on an annual contract that will be automatically renewed annually at the then-current renewal price, plus any applicable taxes (currently \$27.98 per month if I select both plans), unless I cancel.* I can cancel this contract(s) any time at no additional cost, without obligation to make future plan payments, by calling 1-855-849-9192 or visiting [www.homeserve.com](http://www.homeserve.com). I agree Montana-Dakota may share my account number and other data with HomeServe. *Your Data:* See our homepage at [www.homeserve.com](http://www.homeserve.com). I agree I have read the coverage details in this package and confirm I am the homeowner, meet all other eligibility requirements, and understand the coverage limitations and exclusions.

Signature (required)

Customer Number

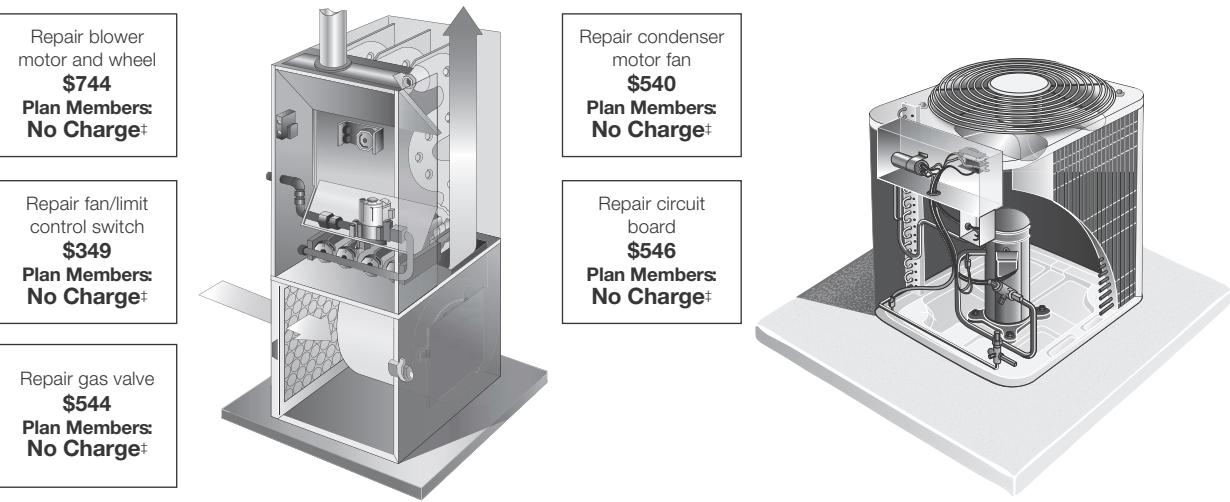
&lt;&lt;Customer\_No&gt;&gt;

**DON'T FORGET: Plan(s) must be selected for enrollment to be processed.**



## KNOW YOUR RESPONSIBILITY

As a homeowner, you are responsible for your heating and cooling systems, and you will have to arrange and pay for any necessary repairs. This illustration shows a typical heating and cooling system. Also shown are repairs that are commonly performed on these systems and how much licensed and insured contractors could typically charge.



Many homeowners do not know that basic homeowners insurance typically only covers things like property damage to your home, but not damage due to normal wear and tear to your heating and cooling systems. You are not covered with Heating System Coverage or Cooling System Coverage in the event of a breakdown.

<sup>‡</sup>National average repair costs as of December 2024. No charge for covered repairs up to the benefit amount.

Please complete and return  
in the postage-paid envelope

Call HomeServe at 1-855-849-9192  
to conveniently enroll over the phone

Visit [www.HomeComfortPlan.com](http://www.HomeComfortPlan.com) for fastest  
processing and enter offer code: <>MatchbackID<>.

**Important Coverage Information:** Eligibility: To be eligible, you must own the residential single structure or a unit within a structure. You are not eligible if your home is a recreational vehicle or otherwise intended to be moved; your property is used for commercial purposes; you know of any current problems with your system(s) before enrollment; your system(s) is shared with a 3rd party or covered by a homeowners' association or the like; is not installed according to manufacturer specifications; is installed on a roof, is a through-the-wall, hanging, geothermal heat pump; your heating system has a furnace or boiler rated at inputs of 400,000 Btu/hr. or more or is a combination ambient heat/domestic hot water heating or oil unit; your cooling system uses refrigerant which does not meet federal, state or any other applicable regulatory or code requirements; has non-compliant components; exceeds 5 tons capacity; or is an ammonia cooling, ductless, or window unit. In IA, properties with more than 4 dwelling units are not eligible. Benefit Details: Coverage provides, up to the applicable benefit limit, to repair or replace broken or failed parts of the following system(s) that have experienced an operational failure, and for which you have sole responsibility, that are damaged due to normal wear and tear, not accident or negligence. *Heating System Coverage:* A central forced-air furnace or circulating hot water heating system fueled by natural gas, propane, or electricity: Air scoops, aquastat, barometric damper, belts, pulleys, blower motors, blower assemblies, circuit boards, circulators, ECO safeties, fan controls, limit controls, fusible links, gas valves, ignition controls, induced draft motor, blower, low water cutoff, main burners, pilot burners, pilots, thermocouples, pressure switches, regulator valves, relays, spill switches, and transformers. *Cooling System Coverage:* A central forced-air system fueled by electricity: Capacitors, circuit boards, internal fuses, breakers, condensate pumps, condenser motor, condenser fan, contactor switches, delay timer, fan controls, fan relays, filter dryer, high and low pressure switches, limit controls; up to 1 pound of refrigerant, relays, transformers, and valves. Coverage provides for repairs or replacement of parts only. Your system(s) will not be replaced. Not Covered: Damage from accidents, negligence or otherwise caused by you, wildlife, others or unusual circumstances and the following product-specific exclusions: *Heating System Coverage:* Air ducts, registers, air filters, zoning components and electronics, electronic air cleaners, flue venting, humidifiers, thermostats, thermostat wiring, air balancing, chimney maintenance or repairs, heating jacket, asbestos or other insulation, heat exchangers, leaking boilers, boiler distribution piping, and radiators. Additional exclusions apply. *Cooling System Coverage:* Air ducts, a/c coils, registers, grilles, asbestos coverings, balancing of system, wiring and parts external to the unit, compressors or chillers, condenser casings, condenser coils, evaporator coils, metering systems/T&V valves, refrigerant for maintenance recharges, thermostats, thermostat wiring, disconnect boxes and all wiring, breakers and switches contained within them, and refrigerant conversions. Additional exclusions apply. Disputes resolved by arbitration, without class action or jury trial, unless otherwise stated in your full Terms and Conditions. Costs on covered repairs may exceed the benefit limit, in which case you pay the difference between the cost and the benefit limit. Making a Service Call: Your plan starts the day your enrollment is processed. There is an initial 30-day waiting period before you can make a service call, giving you 11 months of coverage during the first year. Upon renewal/reactivation (if applicable), there is no waiting period. Cancellation: Cancel your plan any time by calling HomeServe at 1-855-849-9192 or visiting [www.homeserve.com/cancel](http://www.homeserve.com/cancel). If you cancel within 30 days of your start date, you will get a full refund (less benefits paid, where applicable). Cancellations after the first 30 days will result in a pro-rata refund (less benefits paid, where applicable). Renewal: The plan is annual. Unless you cancel, your plan automatically renews annually at the then-current renewal price and is billed monthly through your utility bill.

See full [Terms and Conditions](#) with complete coverage and exclusion details prior to enrolling by calling 1-855-849-9192 or going to [www.HomeComfortPlan.com](http://www.HomeComfortPlan.com). HomeServe is an independent company, separate from Montana-Dakota Utilities Co. For over 20 years, HomeServe has been dedicated to offering homeowners trusted repairs, saving them \$2.5 billion along the way. If you would prefer not to receive these solicitations from HomeServe, please e-mail us at [info@homeserveusa.com](mailto:info@homeserveusa.com) with "Opt-Out" in the subject line and your billing address in the body of the e-mail or call 1-855-849-9192.

HomeServe is a registered trademark of HomeServe.



Protection plans  
*from HomeServe*

PRSR STD  
U.S. POSTAGE  
PAID  
MAILED FROM  
ZIP CODE 11801  
PERMIT NO. 904

Important Information Enclosed



## A message from Montana-Dakota Utilities Co.

Montana-Dakota Utilities Co. offers a convenient billing arrangement with HomeServe. Montana-Dakota customers who choose to purchase optional home repair solutions from HomeServe will have the monthly rate added to their utility bill.

Montana-Dakota does not provide customer data to HomeServe. Based on Montana-Dakota's service footprint, HomeServe uses mailing lists supplied by outside vendors, and the vendors obtain the names and addresses from publicly available sources. You are not required to purchase products from HomeServe to receive utility service.

If you are interested in learning more about home repair solutions from HomeServe, please call HomeServe toll-free at 1-855-849-9192. HomeServe USA Repair Management Corp. ("HomeServe") is an independent company separate from Montana-Dakota Utilities Co. and offers this optional service as an authorized representative of North American Warranty, Inc., the service contract provider.

## (WASTE - SLIT/NEST)

## Part 1

For Residential Address:

<<MR. SAMPLE A SAMPLE\_XX>>  
 <<MAIL\_ADDRESS1\_XXXXXXX>>  
 <<MAIL\_ADDRESS2\_XXXXXXX>>  
 <<MAIL\_CITY\_XX, ST ZIP>>



Date	<<Month XX, XXXX>>
Response Requested by	<<Month XX, XXXX>>

**Plan Member Since:**  
 <<Member\_YR>>

**Recommended Coverage:**  
 Water Heater Repair and Replacement Plan

## Part 2

**Re: Water Heater Information for <<Serv\_Address1\_XXXXXX>>**

<<Sample Sample\_XXXXXXX>>,

Your water heater continues to age and can be affected by normal wear and tear. You are currently not enrolled in the Water Heater Repair and Replacement Plan from HomeServe. Montana-Dakota Utilities Co. has partnered with HomeServe,\* an independent company that offers protection for your water heater.

Because you own the water heater, you are responsible for repairs or replacement in the event of a sudden breakdown.

We are writing to you to provide you with an opportunity to accept protection against the costs of covered repairs or replacement if your water heater breaks down. Your water heater is primarily affected by aging and normal wear and tear.

**If your water heater requires repair or replacement, it may cost you hundreds of dollars.**

Montana-Dakota Utilities Co. Customer Benefit Review:

Homeowner:	<<Sample Sample_XXXXXXX>>
Location:	<<Serv_Address1_XXXXXX>> <<Serv_City_XXX, Serv_State, Serv_ZIP>>
Benefit Amount:	Up to \$1,000 annually with multiple service calls for covered repairs 30-day wait period for repairs includes a money-back guarantee; 90-day wait for replacement

Without this *optional* protection, homeowners may be at risk for expensive water heater repair costs. For just \$4.24 per month—a savings of more than 50% off the first year\*\*—eligible homeowners can take action to help prevent the unexpected burden of high repair bills for aging water heaters.

**Signature Required For Processing.**

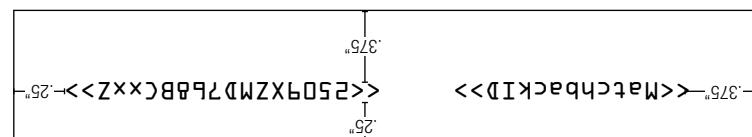
Please respond today by signing, completing and returning the enclosed Acceptance Form to help protect your finances from the covered cost to repair or replace your water heater. Or call HomeServe at 1-855-849-9192. **For fastest processing of your coverage, visit [www.UtilityRepairPlans.com](http://www.UtilityRepairPlans.com) and enter Offer Code: <<MatchbackID>>.**

Sincerely,

Andrew Wright  
 SVP, Customer Service  
 HomeServe USA Repair Management Corp.

\*\*Savings compared to renewal price.

\*HomeServe USA Repair Management Corp. ("HomeServe"), with corporate offices located at 45 Glover Avenue, 6th Floor, Norwalk, CT 06850, is an *independent company separate from Montana-Dakota Utilities Co.* and offers this optional service plan as an authorized representative of the service contract provider, National Home Repair Warranty, Inc., 59 Maiden Lane, 43rd Floor, New York, NY 10038. Your choice of whether to purchase this service plan will not affect the price, availability or terms of utility service from Montana-Dakota Utilities Co. Montana-Dakota Utilities Co. and HomeServe entered into a commercial agreement to introduce these optional plans to Montana-Dakota Utilities Co. customers. See *eligibility requirements and coverage limitations in this package.*



## CUSTOMER NUMBER

&lt;&lt;Customer\_No&gt;&gt;

SIGNATURE (required)

YES, please sign me up for the Water Heater Repair and Replacement Plan from HomeServe and include the \$4.24 monthly charge, plus any applicable taxes, on my Montana-Dakota bill. I understand that this optional coverage is billed on a monthly basis and based on an annual contract that will be automatically renewed annually at the then-current renewal price, plus any applicable taxes (currently \$8.99 per month), unless I cancel. I can cancel this contract any time at no additional cost, without obligation to make future plan payments, by calling 1-855-849-9192 or visiting www.homeserve.com. I agree to share my account number and other data with HomeServe. Your Data: See our homepage at www.homeserve.com. I have read the coverage details in this package and confirm I am the homeowner, meet all other eligibility requirements, and understand the coverage limitations and exclusions.

Phone #: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

Offer Code: <<MatchbackID>>  
For fastest processing scan here and



Please end my current/future agreements and any related documents to the e-mail address below. I can access and retain documents sent to my e-mail. I understand I can request a copy of my contract, update my e-mail address, change my communication preference anytime by going online or calling HomeServe. By providing my phone number, I consent to receive account-related phone calls and text messages.

<<Serv\_Address\_xxxxxxx>>, <<Serv\_City\_xxx, ST Zip>>

<<Serv\_Address1\_xxxxxxx>>, <<Serv\_Address1\_xxxxxxx>>,  
<<Sample\_Address\_xxxxxxx>>, <<Serv\_Address1\_xxxxxxx>>,  
submitting, if necessary.

Please correct name and address information below to match your Montana-Dakota bill before

Reply ID: <<2509XZMD768BCxxZ-xxxx>>

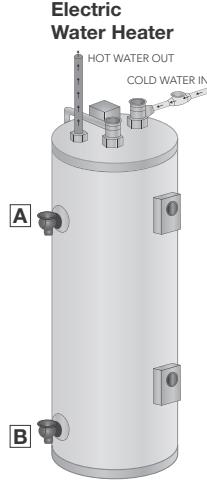
ACCEPTANCE FORM

## (WASTE - SLIT/NEST)

## Part 3

## KNOW YOUR RESPONSIBILITY

As a homeowner, you are responsible for the water heater in your home, and you will have to arrange and pay for any necessary repairs. This illustration shows a water heater, which is typically located in the basement. Also shown are repairs that are commonly performed on a water heater and how much licensed and insured plumbers could typically charge.



## Typical replacement cost

Replace 40 gallon Water Heater \$1,459<sup>‡</sup>

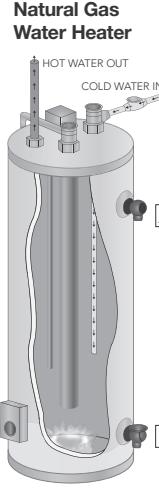
If the contractor determines your water heater cannot be repaired, the balance of your \$1,000 annual limit can be applied to a unit most similar in capacity and/or functionality. There is a 90-day waiting period for water heater replacement.

## Typical repair costs

A Pressure Relief Valve \$271<sup>‡</sup>

B Drain Valve \$248<sup>‡</sup>

Repair costs with the Water Heater Repair and Replacement Plan



Many homeowners do not know that basic homeowners insurance typically only covers things like property damage to your home, but not damage due to normal wear and tear to your water heater. You are not covered with the Water Heater Repair and Replacement Plan in the event of a breakdown.

<sup>‡</sup>National average repair costs as of December 2024. No charge for covered repairs up to the benefit amount.

Please complete and return  
in the postage-paid envelope

Call HomeServe at 1-855-849-9192  
to conveniently enroll over the phone

Visit [www.utilityrepairplans.com](http://www.utilityrepairplans.com) for fastest  
processing and enter offer code: <<MatchbackID>>.

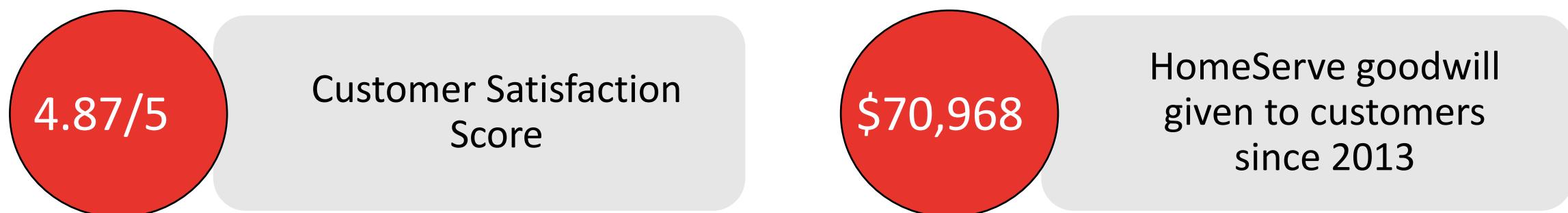
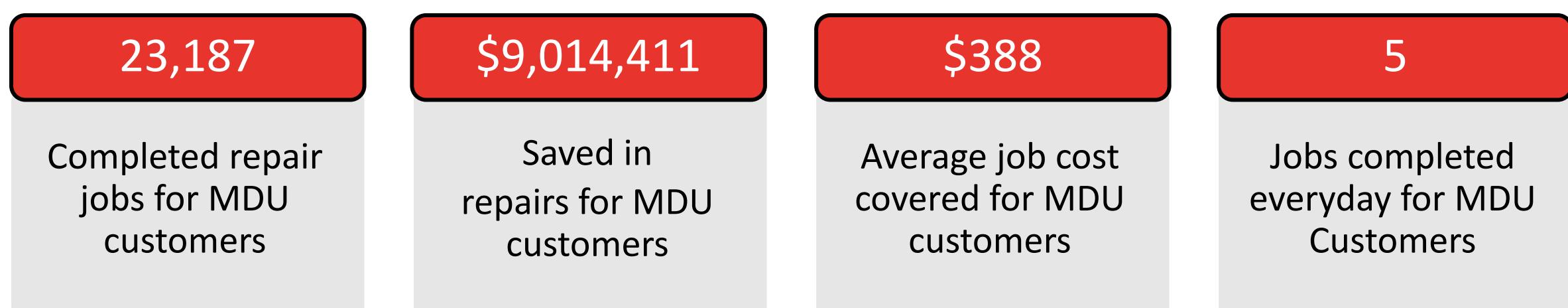
**Important Coverage Information:** Eligibility: To be eligible, you must own the residential single structure or a unit within a structure. You are not eligible if your home is a recreational vehicle or otherwise intended to be moved; your property is used for commercial purposes; you know of any current problems with your water heater before enrollment; your entire water heater is shared with a 3rd party or covered by a homeowners' association or the like; or your water heater is commercial grade, larger than 100 gallons, is installed on a roof, or is a tankless, solar, geothermal, oil, electric hybrid, smart system, equipped with Wi-Fi or Bluetooth functionality, hanging tank-based, or combination home heating/domestic hot water unit; or is not installed according to manufacturer specifications. In IA, properties with more than 4 dwelling units are not eligible. Benefit Details: Coverage provides, up to the applicable benefit limit, to repair or replace the water heater that is fueled by natural gas, propane, or electricity that has experienced an operational failure, for which you have sole responsibility, that is damaged due to normal wear and tear, not accident or negligence. Not covered: Jacket and interior doors, heat exchangers, exhaust venting, expansion tanks, non-flexible water supply and delivery piping, electrical service wiring, damage due to restricted lines or water pressure over 80 P.S.I., and damage from accidents, negligence or otherwise caused by you, others, wildlife or unusual circumstances. For replacement, a change in fuel type is not covered. Costs on covered repairs may exceed the benefit limit, in which case you pay the difference between the cost and the benefit limit. Additional exclusions apply. Disputes resolved by arbitration, without class action or jury trial, unless otherwise stated in your full Terms and Conditions. Making a Service Call: Your plan starts the day your enrollment is processed. There is an initial 30-day waiting period before you can make a repair service call, giving you 11 months of coverage during the first year. There is a 90-day waiting period before you can make a replacement service call. Upon renewal/reactivation (if applicable), there is no waiting period. Cancellation: Cancel your plan any time by calling HomeServe at 1-855-849-9192 or visiting [www.homeserve.com/cancel](http://www.homeserve.com/cancel). If you cancel within 30 days of your start date, you will get a full refund (less benefits paid, where applicable). Cancellations after the first 30 days will result in a pro-rata refund (less benefits paid, where applicable). Renewal: The plan is annual. Unless you cancel, your plan automatically renews annually at the then-current renewal price with your same payment terms. See full Terms and Conditions with complete coverage and exclusion details prior to enrolling by calling 1-855-849-9192 or going to [www.UtilityRepairPlans.com](http://www.UtilityRepairPlans.com). HomeServe is an independent company, separate from Montana-Dakota Utilities Co. For over 20 years, HomeServe has been dedicated to offering homeowners trusted repairs, saving them \$2.5 billion along the way. If you would prefer not to receive these solicitations from HomeServe, please e-mail us at [info@homeserveusa.com](mailto:info@homeserveusa.com) with "Opt-Out" in the subject line and your billing address in the body of the e-mail or call 1-855-849-9192.

# **Attachment C**

# Montana-Dakota Utilities Partnership in North Dakota with HomeServe

Currently, 13,765 MDU customers maintain 38,496 plans with 2.8 plans per customer.

So far to date, HomeServe...



## Customer Feedback

Feedback	City	Product
You folks are so appreciated for the services that you provide!	Williston	WATER HEATER
Very knowledgeable and knew exactly what was wrong and had my central air fixed in no time. They were very friendly.	Minot	HVAC
He helped me figure out a way bigger problem. He was very prompt.	Mandan	INTERIOR ELECTRIC
HomeServe has never let us down! They are fast, friendly and a huge asset to our home protection!	Surrey	INTERNAL PLUMBING AND DRAINAGE
Super fast and efficient. So happy it's finally fixed. I shouldn't have waited so long. He fixed it so fast.	Bismarck	INTERIOR ELECTRIC