

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Montana-Dakota Utilities Co.
2027 Electric Rate Increase
Application**

Case No. PU-26-241

ORDER ON INTERIM RATES

August 26, 2026

Preliminary Statement

On June 30, 2026, Montana-Dakota Utilities Co. (MDU) filed an application to increase its rates for electric service.

Also on June 30, 2026, MDU filed an application for an interim rate increase for electric service.

On July 20, 2026, MDU filed a revised interim rate increase request.

On August 6, 2026, Commission Advocacy Staff filed a letter regarding MDU's proposed interim rate increase.

Discussion

MDU's June 30, 2026, interim rate increase request set forth a rate increase based on a revenue required for a projected 2027 test year. The rate increase would result in a net increase in annual revenue for the 2027 test year of \$26,347,265, or 11%

A public utility filing for a rate increase is entitled to an interim rate increase under North Dakota Century Code (NDCC) Section 49-05-06(2). The interim rate increase must meet certain criteria including: the same rate of return on common equity authorized by the Commission in the public utility's most recent rate proceeding; rate base and expense items the same in nature and kind allowed by the Commission in the public utility's most recent rate proceeding; and no change in the existing rate design.

MDU's June 30, 2026, interim rate increase is a net increase in annual revenue of \$26,347,265, subject to refund, and to be effective September 1, 2026. While the net revenue increase is 11%, the interim rate will be set at 26.118%. The interim rate will only be applied to the basic service charge, demand charge, and energy charge on customer bills. It will not be applied to the transmission, environmental, renewable, or generation riders.

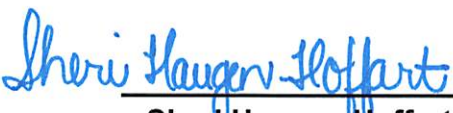
Commission Advocacy Staff's letter states that MDU's interim increase complies with NDCC Section 49-05-06(2) and should be approved for service rendered on or after September 1, 2026. The Commission finds that MDU's interim increase complies with NDCC Section 49-05-06(2). In the event the interim rate amounts collected by MDU are more than final rates approved by the Commission, MDU is required to refund the excess under NDCC Section 49-05-06(4), including interest at a rate to be determined by the Commission.

Order

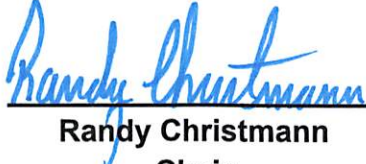
The Commission Orders:

1. The request of Montana-Dakota Utilities Co. for an interim rate increase of \$26,347,265 in annual revenue collections as filed on July 20, 2026, is APPROVED.
2. Interim rates are effective for service rendered on or after September 1, 2026.

PUBLIC SERVICE COMMISSION



Sheri Haugen-Hoffart
Commissioner



Randy Christmann
Chair



Jill Kringstad
Commissioner