



A Subsidiary of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
701-222-7900
www.montana-dakota.com

August 26, 2026

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

**Re: Transmission Cost Recovery Rider Rate 59
Exhibit 7 – Customer Notice of Filing Insert Reflecting Proposed Rates
Case No. PU-26-288**

Montana-Dakota Utilities Co. (Montana-Dakota or Company) herewith electronically submits Exhibit 7, Customer Notice of Filing Insert, which will be included with customers' September 2026 bills to notify them of the Company's request to update the Transmission Cost Recovery Rider rate in the above-referenced docket.

As stated in the Update to the Transmission Cost Adjustment Rate 59 Tariff filed on July 15, 2026, the Company is submitting Exhibit 7 following the Commission's approval of the Interim Rates application effective September 1, 2026, in Case No. PU-26-241.

Please contact me at (701) 954-9072 or tyler.culbertson@mdu.com if you have any questions regarding this submittal.

Sincerely,

s/ Tyler J Culbertson

Tyler J Culbertson
Director of Regulatory Affairs

Attachment

Notice of Annual Update to the Transmission Cost Adjustment Filed with the North Dakota Public Service Commission

On July 15, 2026, Montana-Dakota Utilities Co. (Montana-Dakota) filed an application with the North Dakota Public Service Commission (Commission) to update its Transmission Cost Adjustment (TCA) rates in accordance with the Company's Transmission Cost Adjustment Rate 59 tariff that states the rates will be revised annually to reflect the current level of costs to be recovered.

The proposed TCA rates include North Dakota's allocation of transmission related net expenses assessed by both the Midcontinent Independent System Operator (MISO) and the Southwest Power Pool (SPP) for transmission-related services currently not being recovered through the Company's electric service rates, the inclusion of specified transmission related capital projects, and a projected under-recovery of the deferred TCA balance.

The proposed TCA rates also reflects the inclusion of the net benefit related to a large customer now taking service under Rate 45. All customers of Montana-Dakota will benefit from this customer's service through the crediting of transmission revenue received from this customer. For a residential customer using 800 kWh, the Company estimates a cost savings of approximately \$2.98 per month or \$35.76 annually.

Montana-Dakota has requested the proposed TCA rates be effective with service rendered on and after November 1, 2026, subject to Commission review and approval. The changes are only being proposed at this time and, if rates are suspended by the Commission, the new rates will not be effective until Commission action has been taken.

If approved, a residential customer using 800 kWh will see an increase of \$2.52 per month or an increase of \$30.24 annually. The TCA is shown as a separate line item on your bill.

	Residential & Small General
Applicable Rate Schedules	10, 13, 16, 20, 25, & 40
Proposed Rate	\$0.00186 per kWh
Current Rate 1/	(\$0.00129) per kWh
Change	\$0.00315 per kWh
	Large General & Contracts
Applicable Rate Schedules	30, 31, 32, 38, & 48
Proposed Rate	\$0.00151 per kWh
Current Rate 1/	(\$0.00101) per kWh
Change	\$0.00252 per kWh
	Lighting
Applicable Rate Schedules	41 & 52
Proposed Rate	\$0.00070 per kWh
Current Rate 1/	(\$0.00043) per kWh
Change	\$0.00113 per kWh

1/ Rates effective September 1, 2026, in Case No. PU-26-241.

For more information, please contact a Montana-Dakota representative at 1-800-638-3278.