

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA

In the Matter of the Application of	)	
MONTANA-DAKOTA UTILITIES CO., a	)	
Division of MDU Resources Group, Inc.,	)	Docket No. EL15-__
for Authority to Establish Increased	)	
Rates for Electric Service	)	

\* \* \* \*

APPLICATION

COMES NOW, Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., the Applicant in the above-entitled proceeding (hereafter "Montana-Dakota" or "Applicant"), and respectfully alleges as follows:

I.

That Montana-Dakota, a Division of MDU Resources Group, Inc., is a Delaware corporation duly authorized to do business in the State of South Dakota as a foreign corporation, and that it is doing business in the State of South Dakota as a public utility.

II.

That the Certificate of Incorporation and Amendments thereto have previously been filed with the South Dakota Public Utilities Commission (PUC or Commission) and reference thereto is hereby made, and such Certificate and Amendments are hereby incorporated herein by reference as though fully set forth herein.

III.

That Applicant's full name and post office address are:

Montana-Dakota Utilities Co.,  
a Division of MDU Resources Group, Inc.  
400 North Fourth Street  
Bismarck, North Dakota 58501

IV.

That the following described rate schedules presently on file with and approved by the Commission are attached hereto as Appendix A.

**Section 1**

13 <sup>th</sup> Revised Sheet No. 1	Table of Contents
8 <sup>th</sup> Revised Sheet No. 1.1	Table of Contents
Original Sheet No. 1.2	Table of Contents

**Section 2**

3 <sup>rd</sup> Revised Sheet No. 1	Preliminary Statement
2 <sup>nd</sup> Revised Sheet Nos. 1.1-1.2	Preliminary Statement

**Section 3**

6 <sup>th</sup> Revised Sheet No. 1	Residential Electric Service Rate 10
4 <sup>th</sup> Revised Sheet No. 1.1	Residential Electric Service Rate 10
9 <sup>th</sup> Revised Sheet No. 3	Optional Time-Of-Day Residential Electric Service Rate 16
4 <sup>th</sup> Revised Sheet No. 3.1	Optional Time-Of-Day Residential Electric Service Rate 16
7 <sup>th</sup> Revised Sheet No. 5	Small General Electric Service Rate 20
5 <sup>th</sup> Revised Sheet No. 5.1	Small General Electric Service Rate 20
2 <sup>nd</sup> Revised Sheet No. 5.3	Large General Electric Service Rate 30
1 <sup>st</sup> Revised Sheet No. 5.4	Large General Electric Service Rate 30
6 <sup>th</sup> Revised Sheet No. 6	Small General Electric Standby and Supplementary Service Rate 22
2 <sup>nd</sup> Revised Sheet Nos. 6.1-6.2	Small General Electric Standby and Supplementary Service Rate 22
2 <sup>nd</sup> Revised Sheet No. 7	Large General Electric Standby and Supplementary Service Rate 31
1 <sup>st</sup> Revised Sheet Nos. 7.1-7.2	Large General Electric Standby and Supplementary Service Rate 31
Original Sheet Nos. 8-8.2	Firm Service Economic Development Rate 34

6 <sup>th</sup> Revised Sheet No. 10	Private Lighting Service Rate 24
4 <sup>th</sup> Revised Sheet No. 10.1	Private Lighting Service Rate 24
7 <sup>th</sup> Revised Sheet No. 12	Irrigation Power Service Rate 25
5 <sup>th</sup> Revised Sheet No. 12.1	Irrigation Power Service Rate 25
8 <sup>th</sup> Revised Sheet No. 14	Optional Time-Of-Day Small General Electric Service Rate 26
7 <sup>th</sup> Revised Sheet No. 14.1	Optional Time-Of-Day Small General Electric Service Rate 26
1 <sup>st</sup> Revised Sheet No. 14.2	Optional Time-Of-Day Small General Electric Service Rate 26
4 <sup>th</sup> Revised Sheet Nos. 15-15.1	Optional Time-Of-Day Large General Electric Service Rate 33
1 <sup>st</sup> Revised Sheet No. 15.2	Optional Time-Of-Day Large General Electric Service Rate 33
5 <sup>th</sup> Revised Sheet No. 16	Feed Grinding Service Rate 27
6 <sup>th</sup> Revised Sheet No. 19	Street Lighting Service Rate 41
4 <sup>th</sup> Revised Sheet No. 19.1	Street Lighting Service Rate 41
7 <sup>th</sup> Revised Sheet No. 21	Municipal Pumping Service Rate 48
5 <sup>th</sup> Revised Sheet No. 21.1	Municipal Pumping Service Rate 48
6 <sup>th</sup> Revised Sheet No. 23	General Electric Water Heating Service Rate 50
9 <sup>th</sup> Revised Sheet No. 24	Special Residential Electric Dual Fuel Space Heating Service Rate 53
5 <sup>th</sup> Revised Sheet No. 24.1	Special Residential Electric Dual Fuel Space Heating Service Rate 53
7 <sup>th</sup> Revised Sheet No. 24.2	Special Residential Electric Dual Fuel Space Heating Service Rate 53
9 <sup>th</sup> Revised Sheet No. 25	Special General Electric Dual Fuel Space Heating Service Rate 54
5 <sup>th</sup> Revised Sheet No. 25.1	Special General Electric Dual Fuel Space Heating Service Rate 54
7 <sup>th</sup> Revised Sheet No. 25.2	Special General Electric Dual Fuel Space Heating Service Rate 54
6 <sup>th</sup> Revised Sheet No. 26	General Electric Space Heating Service Rate 56
1 <sup>st</sup> Revised Sheet No. 26.1	General Electric Space Heating Service Rate 56
6 <sup>th</sup> Revised Sheet No. 27	Fuel Clause Rate 58
28 <sup>th</sup> Revised Sheet No. 28	Occasional Power Purchase Rate 95 Non-Time Differentiated
4 <sup>th</sup> Revised Sheet No. 28.1	Occasional Power Purchase Rate 95 Non-Time Differentiated
29 <sup>th</sup> Revised Sheet No. 29	Short-Term Power Purchase Rate 96 Time Differentiated
17 <sup>th</sup> Revised Sheet No. 29.1	Short-Term Power Purchase Rate 96 Time Differentiated



29 <sup>th</sup> Revised Sheet No. 30	Long-Term Power Purchase Rate 97 Time Differentiated
18 <sup>th</sup> Revised Sheet No. 30.1	Long-Term Power Purchase Rate 97 Time Differentiated
<b>Section 5</b>	
4 <sup>th</sup> Revised Sheet No. 1	Rules Governing Discontinuance of Service For Nonpayment of Bills Rate 101
3 <sup>rd</sup> Revised Sheet No. 2	Rate For Residential Electric Service For Permanent Employees of Montana-Dakota Utilities Co., A Division of MDU Resources Group, Inc. And Wholly-Owned Subsidiaries Rate 102
4 <sup>th</sup> Revised Sheet No. 5	Consumer Deposits Rate 106
3 <sup>rd</sup> Revised Sheet No. 6	Notice to Discontinue Electric Service Rate 107
3 <sup>rd</sup> Revised Sheet No. 7	Reconnection Fee For Seasonal Or Temporary Customers Rate 108
1 <sup>st</sup> Revised Sheet No. 7.1	Late Payment Charge Rate 109
5 <sup>th</sup> Revised Sheet No. 8	Rules for Underground Electric Residential Distribution Rate 111
2 <sup>nd</sup> Revised Sheet Nos. 8.1-8.2	Rules for Underground Electric Residential Distribution Rate 111
4 <sup>th</sup> Revised Sheet Nos. 9-9.2	Electric Extension Policy Rate 112
4 <sup>th</sup> Revised Sheet No. 10	Method of Computing Initial or Final Bills For Electric Service For Less Than A Full Monthly Billing Period Rate 113
5 <sup>th</sup> Revised Sheet No. 11	Rules for Application of Electric Service Rate 114
Original Sheet No. 11.1	Rules for Application of Electric Service Rate 114
3 <sup>rd</sup> Revised Sheet No. 13	Tax Clause Rate 130
7 <sup>th</sup> Revised Sheet No. 14	Electric Service Rules and Regulations Rate 110
Original Sheet Nos. 14.1-14.32	Electric Service Rules and Regulations Rate 110
3 <sup>rd</sup> Revised Sheet Nos. 15-15.2	Rules and Policies for Implementing Master Metering Restrictions Rate 133
3 <sup>rd</sup> Revised Sheet No. 16	Rules Covering Utility Services Performed After Normal Business Hours Rate 135
Original Sheet No. 17	Electric Meter Test By Customer Request Rate 136
<b>Section 6</b>	
4 <sup>th</sup> Revised Sheet No. 1	Consumer's Deposit Receipt
4 <sup>th</sup> Revised Sheet No. 2	New Customer Application Card – Residential Service
Original Sheet No. 2.1	New Customer Application Card – General Service
1 <sup>st</sup> Revised Sheet No. 3	Electric Meter Order
2 <sup>nd</sup> Revised Sheet No. 4	Service Bill Adjustment Form

7 <sup>th</sup> Revised Sheet No. 5	Standard Customer Bill Form
Original Sheet No. 5.1	Standard Customer Bill Form
4 <sup>th</sup> Revised Sheet No. 6	Disconnect Notice
Original Sheet Nos. 7-7.1	Service Extender Forms
3 <sup>rd</sup> Revised Sheet No. 8	Customer Information Booklet
1 <sup>st</sup> Revised Sheet No. 8.1	Customer Information Booklet
Original Sheet No. 9	Discontinuance Notice for Unauthorized Use of Service
Original Sheet No. 10	Discontinuance Notice of Service Due to an Irregularity
Original Sheet No. 11	Balanced Billing Plan Application/Removal Form
Original Sheet No. 12	Third Party Notice
Original Sheet No. 13	Deferred Installment Agreement Form
1 <sup>st</sup> Revised Sheet No. 14	Continuous Service Agreement
Original Sheet No. 15	Form Advising Property Owner Tenant is Vacating Premises and Service Has Been Connected in Property Owner's Name per Agreement
Original Sheet No. 16	Guarantee of Payment for Natural Gas and/or Electric Service by a Second Party in Lieu of a Deposit
Original Sheet No. 17	Deposit Warning Letter
Original Sheet No. 18	Deposit Request
Original Sheet No. 19	Final Bill Follow Up Letter Number 1
Original Sheet No. 20	Final Bill Follow Up Letter Number 2
Original Sheet No. 21	Customer Authorization to Release Information Relating to the Volume and/or Cost of Electricity Furnished by Montana-Dakota Utilities Co.
Original Sheet No. 22	Private Lighting Service Agreement
Original Sheet No. 23	Municipal Street Lighting Agreement
Original Sheet No. 24	Municipal Street Lighting and Equipment Rental Agreement
Original Sheet No. 25	Municipal Pumping Agreement
Original Sheet No. 26	Electric Service Agreement for Extension Policy Rate 112
Original Sheet Nos. 27-27.4	Firm Service Economic Development Agreement

V.

That Applicant respectfully submits herewith the following described proposed rate schedules for electric service, copies attached hereto as Appendix B, which Applicant proposes to substitute for the corresponding rate schedules described in the preceding paragraph. Montana-Dakota is proposing to replace



Volume No. 1 of the electric tariff, provided in Appendix A, with Volume No. 2 of the electric tariff provided in Appendix B.

**Section 1**

Original Sheet Nos. 1-1.1                      Table of Contents

**Section 2**

Original Sheet Nos. 1-1.2                      Preliminary Statement

**Section 3**

Original Sheet No. 1                              Residential Service Rate 10  
Original Sheet Nos. 3-3.1                      Optional Time-of-Day Residential Electric Service Rate 16  
Original Sheet Nos. 5-5.2                      Small General Electric Service Rate 20  
Original Sheet Nos. 8-8.1                      Outdoor Lighting Service Rate 24  
Original Sheet Nos. 9-9.1                      Irrigation Power Service Rate 25  
Original Sheet Nos. 10-10.2                      Optional Time of Day Small General Electric Service Rate 26  
Original Sheet Nos. 13-13.1                      Large General Service Rate 30  
Original Sheet Nos. 14-14.1                      General Electric Space Heating Rate 32  
Original Sheet Nos. 15-15.2                      Optional Time-of-Day General Electric Service Rate 33  
Original Sheet Nos. 16-16.2                      Firm Service Economic Development Rate 34  
Original Sheet Nos. 19-19.1                      Street Lighting Service Rate 41  
Original Sheet Nos. 21-21.1                      Municipal Pumping Service Rate 48  
Original Sheet Nos. 24-24.1                      Residential Electric Dual Fuel Space Heating Service (Closed)  
Original Sheet Nos. 26-26.1                      Environmental Cost Recovery Rider Rate 57  
Original Sheet Nos. 27-27.2                      Fuel and Purchase Power Cost Adjustment Rate 58  
Original Sheet Nos. 28-28.1                      Transmission Cost Recovery Rider Rate 59  
Original Sheet Nos. 35-35.1                      Occasional Power Purchase Non-Time Differentiated Rate 95  
Original Sheet Nos. 36-36.1                      Short-Term Power Purchase Time Differentiated Rate 96  
Original Sheet Nos. 37-37.1                      Long- Term Power Purchase Time Differentiated Rate 97

**Section 4**

Original Sheet No. 1                              List of Electric Contracts with Deviations

**Section 5**

Original Sheet Nos. 8-8.8                      Table of Contents General Provisions Rate 100  
Original Sheet Nos. 9-9.2                      Electric Extensions Policy Rate 112

Original Sheet Nos. 14-14.31  
Original Sheet Nos. 15-15.2

Electric Service Rules and Regulations Rate 110  
Rules and Policies for Implementing Master  
Metering Restrictions Rate 133

**Section 6**

Original Sheet No. 1

Gas or Electric Consumer's Deposit Receipt  
Standard Customer Bill Form

Original Sheet Nos. 2-2.1

Original Sheet No. 3

Disconnect Notice

Original Sheet No. 4

Notice of Intent to Limit the Use of Electric  
Service

Original Sheet No. 5

Notice That Your Electric Service Has Been  
Limited

Original Sheet No. 6

Customer Information Booklet

Original Sheet No. 7

Additional Information to Customer

Original Sheet No. 8

Discontinuance Notice for Unauthorized Use of  
Service

Original Sheet No. 9

Discontinuance Notice of Service Due to an  
Irregularity

Original Sheet No. 10

Third Party Notice

Original Sheet Nos. 11-11.1

Continuous Service Agreement

Original Sheet No. 12

Guarantee of Payment For Natural Gas and/or  
Electric Service by a Second Party in Lieu of a  
Deposit

Original Sheet No. 13

Final Bill Follow Up Letter Number 1

Original Sheet No. 14

Final Bill Follow Up Letter Number 2

Original Sheet Nos. 15-15.1

Electric Service Agreement for Extension Policy  
Rate 112

VI.

That the existing rates of Applicant are unjust, unreasonable and not compensatory, and that said rates should be increased so that Applicant will have an opportunity to earn a just and reasonable rate of return on its electric property devoted to providing service to its South Dakota electric customers.

VII.

That in submitting this Application and in proposing the implementation of the increased rates contained herein, Applicant is seeking additional revenues before income taxes of \$2,654,880 based on a December 31, 2014 test year



adjusted for known and measurable changes, for electric service rendered to customers located in the Company's service area in the State of South Dakota.

#### VIII.

That Applicant will prove by competent evidence that existing rates are unjust, unreasonable, and not compensatory, and that said rate schedules should be increased as requested herein. Filed concurrently with this Application and its Appendices are supporting Statements and direct testimony and exhibits of Applicant's witnesses. Said Statements, Testimony and Exhibits are by this reference incorporated as if fully set forth herein.

#### IX.

That this Application is submitted in accordance with the provisions of South Dakota Codified Laws, Chapter 49-34A and the rules and regulations promulgated by the Public Utilities Commission of the State of South Dakota.

WHEREFORE, Applicant respectfully requests that the Public Utilities Commission of the State of South Dakota:

1. Approve and adopt the proposed rate changes as set forth in Appendix B of this Application to be effective upon final disposition of this docket;
2. Expedite any hearing which the Commission deems necessary to determine the propriety of Applicant's proposed rate schedules set forth herein, and issue its final order establishing the rates set forth herein; and



3. Grant such other and additional relief as the Commission shall deem just and proper.

Dated this 30<sup>th</sup> day of June 2015.

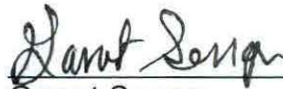
MONTANA-DAKOTA UTILITIES CO.  
a Division of MDU Resources Group, Inc.

By: Garret Senger  
Garret Senger  
Executive Vice President-  
Regulatory Affairs & CAO

STATE OF NORTH DAKOTA        )  
  :SS  
COUNTY OF BURLEIGH        )

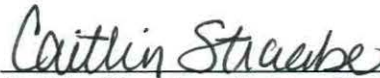
Garret Senger, being first duly sworn, deposes and says that he is the Executive Vice President, Regulatory Affairs and CAO of Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc., the Applicant herein, that he has read the foregoing Application, knows the contents thereof, and that the same is true and correct to the best of his knowledge, information and belief.

Dated this 30<sup>th</sup> day of June 2015.



\_\_\_\_\_  
Garret Senger  
Executive Vice President-  
Regulatory Affairs & CAO

Subscribed and sworn to before me this 30<sup>th</sup> day of June 2015.



\_\_\_\_\_  
Caitlin Straabe, Notary Public  
Burleigh County, North Dakota  
My Commission Expires: 8/29/2019

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