

Tariff Reflecting Proposed Change



Montana-Dakota Utilities Co.

A ~~Division~~ *Subsidiary* of MDU Resources Group, Inc.
400 N 4th Street
Bismarck, ND 58501

State of South Dakota Electric Rate Schedule – SDPUC Volume No. 2

Section No. 3
Original Sheet No. 25

INFRASTRUCTURE RIDER Rate 56

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1. Applicability:

Applicable to bills for electric service provided under the Company's retail rate schedules this Infrastructure Rider (IR) and specifies the procedure utilized to recover the jurisdictional costs associated with infrastructure investments determined to be eligible for recovery in accordance with SDCL 49-34A-73.

2. Infrastructure Rider:

- a. The IR per Kwh will be calculated using the projected capital costs and related expenses, along with the forecasted Kwh sales, to determine a South Dakota jurisdictional revenue requirement to be recovered through the IR rates.
- b. The IR will include a return requirement on the capital investments based on the authorized rate of return and a true-up of the previous year's IR, as described in ¶ (2e).
- c. The IR is applicable to all retail customers for electric energy sold and costs allocated to the applicable rate classes based on the Company's AED/Energy – Factor 3 established in the Company's most recent general rate case.
- d. The IR will be adjusted annually to reflect the Company's most recent projected capital costs and related expenses for projects determined to be recoverable under this tariff.
- e. A true-up will reflect any over or under collection of revenue under the Infrastructure Rider based on actual expenditures from the preceding twelve month period plus carrying charges or credits accrued at a rate equal to the overall Rate of Return authorized in Docket No. EL15-024.

3. Projects Eligible for Inclusion in Infrastructure Rider:

Projects eligible for recovery in IR effective on or after July 1, 2016 include the Thunder Spirit Wind Project as specified in the Settlement Agreement in Docket No. EL15-024 and the expansion of that projected placed into service on October 31, 2018.

N

Date Filed:	May 20, 2016	Effective Date:	Service rendered on and after July 1, 2016
Issued By:	Tamie A. Aberle Director – Regulatory Affairs		
Docket No.:	EL15-024		



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1st Revised Sheet No. 25.1

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4. Time and Manner of Filing:

Montana-Dakota shall update the IR annually to be effective each May 1 and shall file the IR at least 60 days prior to the proposed effective date. The filing by Montana-Dakota shall be made by means of a revised IR tariff sheet identifying the total costs to be recovered, the derivation of the revenue requirement and resulting IR rank.

5. Infrastructure Rider Rate: \$0-004320.00583 per Kwh

R1

Date Filed: March 1, 2018

Effective Date:

Service rendered on
and after May 1, 2018

Issued By: Tamie A. Aberle
Director – Regulatory Affairs

Docket No.: EL18-010